Vol. II

TRANSCRIPT OF RECORD

Supreme Court of the United States

OCTOBER TERM, 1930

No. 83

PARAMOUNT FAMOUS LASKEY CORPORATION, METRO-GOLDWYN-MAYER DISTRIBUTING CORPORATION, FIRST NATIONAL PICTURES, INC., ET AL., APPELLANTS,

vs.

THE UNITED STATES OF AMERICA

APPEAL FROM THE DISTRICT COURT OF THE UNITED STATES FOR THE SOUTHERN DISTRICT OF NEW YORK

FILED APRIL 16, 1930

(34,951)

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JUDD & DETWEILER (INC.), PRINTERS, WASHINGTON, D. C., JUNE 17, 1930

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Option given Exhibitor to require delivery of all pictures not generally released within releasing year stated in the contract.

Protection from last day of exhibition, instead of first.

Prints must be in Exchange at time notice of availability is sent under Article Eighth.

Article 20, permitting Exhibitor to cancel 10% of number of pictures contracted for when offered and accepted as a group upon paying half of the contract price therefor.

Article 21, permitting cancellation of pictures considered offensive due to racial or religious subject matter.

Furnishing prints or advertising matter before acceptance of application does not constitute acceptance of application.

Applications signed at the same time to be considered as one, and accepted or rejected together.

A new road-show clause.

and of the Rules:

Short notice of hearing authorized in unusual cases.

New provisions for default awards.

Provision for "bringing in" other parties to a controversy before Board of Arbitration.

Penalty against Distributor for delays in complying with award.

Amount of damage to be awarded in bicycling cases.

G. L. H.

April 21, 1928.

[fol. 992] DEFT'S EXHIBIT G[1]

U. S. DIST. COURT

Motion Picture Producers & Distributors of America, Inc.

Report of Law Committee on Uniform Exhibition Contract

In the early part of last summer, when the negotiations for a uniform contract were first undertaken with the exhibitors' organiaztions, probably no one anticipated either their protracted duration or the difficulties which were encountered in the attempt to reach an understanding with the exhibitors.

These difficulties and the consequent delay in concluding the negotiations may be briefly summarized as follows:

1. The number and complexity of the questions at issue between the parties.

2. The diverse and conflicting aims and interests which existed not only nor primarily between the distributors and the exhibitors as such, but also and particularly between the various and sometimes hostile groups of exhibitors.

3. The numerous and sometimes conflicting points of view even among those having identical interests which had to be accom-odated.

4. The sudden loss of interest on the part of the National organization of exhibitors.

5. The desire of your committee to adopt an arbitration clause and a course of procedure under which it would be at once fair, lawful and effective.

[fol. 993] Perhaps it would serve no useful purpose to dwell at length upon these difficulties, most of which have been happily surmounted. A word is perhaps desirable, however, to explain the inability of your committee to reach an agreement with the National organization of exhibitors presided over by Mr. Sidney Cohen.

From the outset, the difference in attitude between the representatives of the exhibitors' organizations of New York City and State and those representing the National organization was very marked. The former showed an apparent realization of the problems and difficulties confronting the producers and distributors, as well as an evident desire to learn and understand their point of view. The latter were aggressive from the first, making few if any concessions, and revealing an apparent desire to instruct rather than understand the producing and distributing branches of the industry. While the New York bodies conducted the negotiations in a siprit of give and take, abating much of their original demands in an evident desire to reach a mutually acceptable understanding, the National body commenced with the attitude that the existing contracts were all wrong and should be remodelled entirely in favor of the exhibitor and made few if any departures from that attitude in the course of the discussions. The Cohen organization, while apparently eager at first to rush through an agreement on

their own terms in the shortest possible time, on finding this impossible, adapted a policy of delay and apparent in-[fol. 994] difference which had as its logical outcome their refusal to approve or adopt the contract as finally agreed upon between your committee and the New York State and City organizations. This is said not by way of criticism, but in order that the outcome may be fully understood.

Perhaps the fundamental reason for making haste slowly, however, was the necessity of taking counsel to make sure that the plan of arbitration and the remedies thereunder which were adopted should be free from the danger of successful attack in the courts. To this end your committee, with the consent and approval of your president, sought the advice of Mr. Edwin P. Grosvenor of the firm of Cadwalader, Wickersham & Taft whose experience in the law governing monopolies in restraint of trade, particularly in the motion picture industry, peculiarly fitted him for the task. With Mr. Grosvenor's cooperation an arbitration clause and a body of rules for the organization and operation of arbitration boards throughout the country were adopted after mature and careful deliberation. This clause and these rules are believed by Mr. Grosvenor and your committee to be at once fair, lawful and effective. They contemplate the formation in every distributing center of arbitration boards equally representative of exchange men and exhibitors, with provisions for the appointment of an impartial umpire where one is needed. They require the submission of all disputes and controversies between ex-[fol. 995] change men and exhibitors to the boards for determination, and for compliance with the findings and decisions rendered by the boards in such controversies. Finally, they provide what we regard as an effective means for the enforcement of such decisions against exhibitors by the exaction of security by all exchanges from exhibitors who fail to comply, and against distributors by depriving exchanges which fail to comply of the right to bring future claims against exhibitors before the board.

This procedure involves the abandonment of the Hoy System with its attendant advantages and disadvantages. Without going into detail, it is perhaps enough to say that your committee, as well as Mr. Grosvenor, were convinced that the drawbacks of the system far outweighed its bene-

fits and that its continuance would subject the distributors of the company to possibly serious legal attack.

On February 2, at a meeting in the office of this Association at which General Hays and representatives of your committee were present, the contract was formally ratified and approved by representatives of the New York State and City exhibitors' associations. The national exhibitors organization was not represented at that meeting, Mr. Sidney Cohen advising that he had been unable to get his committee together in time; and it has not yet taken any affirmative action approving the contract.

The contract has since been sent in its final form to coun- [fol. 996] sel for all of the companies which are members of this Association with a view to its adoption at least in the New York territory at an early date. We understand that one or two companies have already put it into effect in New York. At a subsequent meeting with the New York exhibitors' representatives the form of rules governing the organization and functions of the arbitration boards were discussed and finally agreed upon. While the National Organization was not formally represented at the meeting, it is worthy of note that three of the most influential members of that organization (Mr. Steffes of Minnesota, Mr. Crandall of Washington and Mr. —— of Detroit) were not only present, but approved the rules adopted and indicated that the local exhibitors' bodies in their respective territories would coöperate with the Film Clubs in putting the arbitration plan into effect.

This remains the final step to be taken. Counsel for your committee has been in conference with Mr. Grosvenor in the preparation of a standard set of by-laws relating to arbitration for adoption by the Film Clubs throughout the country. This is deemed essential in order to insure that the arbitration plan shall be carried out in the manner and spirit in which it was conceived and that the undesirable and perhaps unlawful features which have characterized the operations of the Film Clubs in the past shall be definitely abandoned. These by-laws have been submitted to a full [fol. 997] meeting of your committee on March 24, and approved.

In order to see that the plan of arbitration and enforcement of contracts embodied in the uniform contract and the

above-mentioned rules and by-laws shall be not only adopted but lived up to, your committee deems it desirable to send a representative of this Association to the leading film centers for the purpose of explaining the plan to the members of the Film Clubs and giving instructions as to the manner in which it should be carried out. It is no part of our intention to interfere with the internal management of the Film Clubs except insofar as such interference may be necessary to accomplish the purpose indicated. We do consider it essential, however, that if the exchanges of the distributor members of this Association are to continue to be members of the Film Clubs, the conduct of those clubs in relation to the determination and enforcement of claims and controversies with exhibitors must adhere substantially to the plan which has been outlined.

If this method of bringing the matter home to the Film Clubs is adopted, the cooperation of the home offices of the distributors will be essential and your committee is likely to call upon the home offices to give appropriate instructions to their exchange men throughout the country, in order that it may be fully understood that the plan meets with the approval of the executive heads of the companies and is to be regarded seriously by the exchanges.

[fol. 998] We regard the uniform contract as a distinct step forward in the motion picture industry. Its adoption in New York has measureably increased the good feeling between the exhibitor organizations and their members on the one hand and this Association and its members on the other; and even if it is not formally approved by the national organization of exhibitors, it will doubtless be accepted in substance by many if not most of the local exhibitors' organizations throughout the country.

If this comes to pass, it will to a large extent place the weight of these organizations behind the enforcement of contracts and will do much, we believe, to compel the unscrupulous and irresponsible exhibitor to live up to his contract obligations. If it accomplishes nothing more than this, it will justify itself in practice. We think there is reason to hope, however, that its effect may be more far-reach-

ing and that it may prove to be a permanent contribution to harmony and good will in the motion picture industry.

Respectfully submitted.

The Law Committee. —— ——, Counsel.

Dated March 26, 1923.

[fol. 999] DEFENDANT'S EXHIBIT H'

Cadwalader, Wickersham & Taft (Strong & Cadwalader), 40 Wall Street, New York

George W. Wickersham, Henry W. Taft, George F. Butterworth, Francis Smyth, Wm. Lloyd Kitchel, Edwin P. Grosvenor, Cornelius W. Wickersham, George Coggill, Walbridge S. Taft, Robert Le Roy, G. Forrest Butterworth, Jr., Edward J. Haney

Cable address: Labellum

September 28, 1922.

Hon. Will H. Hays, President Motion Picture Producers and Distributors of America, Inc., 522 Fifth Avenue, New York City.

DEAR SIR: We hand you herewith the following:

(1) Proposed arbitration clause for the standard contract you have been negotiating with the Exhibitors' Associations.

(2) Provisions relating to the selection and authority of the proposed Arbitration Boards.

As you know, we have prepared the foregoing in co-operation with the law committee of your Association.

In our opinion the provisions are consistent with the Statutes of the United States and the anti-monopoly and conspiracy laws of the several states. We think it would be proper for the various distributors either individually or in agreement with each other to adopt these provisions and carry them out according to their terms.

Yours very truly, Cadwalader, Wickersham & Taft.

[fol. 1000] September 28, 1922.

Hon. Will H. Hays, President Motion Picture Producers and Distributors of America, Inc., 522 Fifth Avenue, New York City.

DEAR SIR: In our opinion transmitting the proposed arbitration clause and the provisions relating to the Arbitration Board, we stated that we think it would be proper for the various distributors in agreement with each other to adopt these provisions and carry them out according to their terms. It is of the utmost importance that the course of conduct of the companies which adopt these provisions should be in accordance with the terms therein set forth.

The purpose of this plan is to afford the distributor reasonable protection and security in dealings with an exhibitor whose credit or business reputation has become bad. The necessity for this protection exists in the nature of the business. The distributor entrusts, without security, to the exhibitor a fragile and valuable article for which the exhibitor may pay a rental of only a few dollars for one day's use. Title always remains with the distributor. The difference between the value of the picture and the rental price is in fact credit advanced to the exhibitor by the distributor without security.

So, too, when the distributor has placed a contract with an exhibitor for a production and the exhibitor fails to specify a date after the production is ready the producer may be barred from exhibiting the picture in that locality for an early run, other theatres being booked up, and thereby he will incur a heavy loss.

It is clear that when the credit or business reputation of the exhibitor is bad the distributor is justified in demanding security before he hands his valuable property over to the exhibitor or makes a contract with him.

[fols. 1001-1003] The distributors in their dealings with the exhibitor should not demand more than reasonable security, the amount varying according to the circumstances of each case. Distributors A, B, C and D may agree with each other that after the happening of any one of the three events enumerated in the arbitration clause, each of them will demand from Exhibitor X such security as each of them may need to protect his contract with X, but each of the distributors should adjust the amount of his demand to the value of his particular contract.

Moreover, if Exhibitor X, complying with A's demand, puts up with A the security which A demanded, A has no right to refuse to continue his contract with Exhibitor X solely because the latter has not put up with B the security which B demanded. That would be going beyond the limits of the reasonable protection required by A.

As it is evident that the so-called Hoy system is inconsistent with the present plan we understand that the Hoy system will be abandoned by the distributors.

In order that the present plan and the course of conduct thereunder may never be confused with what has gone before and that a fresh start may be made, we think it important that you carry out the suggestion made at one of the conferences that one of the law committee outline to the members of the Film Boards of Trade the operations of this new plan so that none of them will labor under the impression that this is in any respect a modification of the Hoy System. Then all will understand the purpose to be to obtain for the distributor that security which the nature of his business demands under the conditions stated in the arbitration clause.

Yours very truly, Cadwalader, Wickersham & Taft.

EPG S.

[fol. 1004] DEFENDANTS' EXHIBIT F'

UNITED STATES

v.

PARAMOUNT FAMOUS LASKY CORP. ET AL.

Defendants' Exhibit 6

Statement Showing Disposition of Claims under Arbitration

	Year	Number	Amount
Number of claims disposed of in U. S. under Arbitration Plan	1928	23,869	$6,503,474.75
	1927	15,890	4,363,216.38
	1926	12,586	2,712,495.22
	1925	11,887	2,542,544.40
	1924	11,197	2,119,622.56
Total (five years)		75,409	$18,241,353.29
Claims filed but settled or withdrawn before hearing	1928	12,201	2,421,669.73
	1927	7,039	1,926,193.36
	1926	5,830	1,121,170.89
	1925	4,823	927,544.92
	1924	6,029	1,003,151.22

	Year	Number	Amount
Awards made	1928	7,304	2,829,518.85
	1927	6,442	1,720,421.98
	1926	5,476	1,356,233.78
	1925	5,450	1,351,206.72
	1924	4,875	1,077,968.99
Dismissed for want of jurisdiction, improperly filed, etc.	1928	629	306,072.43
	1927	426	150,331.35
	1926	440	117,446.74
	1925	292	87,147.86
	1924	293	38,502.35
Claims pending at end of year	1928	1,355	401,752.84
	1927	1,095	414,115.30
	1926	1,007	300,959.98
	1925	539	205,216.71
	1924	520	140,234.00
Claims litigated after submission to Board of Arbitration including proceedings to confirm awards as judgments	1928	*134	131,133.27
	1927	62	48,344.55
	1926	71	
	1925	17	
	1924	4	
Claims litigated before submission to Board of Arbitration	1928	0	
	1927	5	878.72
	1926	1	
	1925	1	
	1924	1	
Requiring services of seventh arbitrator	1928	28	24,966.31
	1927	36	20,753.71
	1926	25	
	1925	22	
	1924	15	

*125 of these cases were proceedings to confirm award.

[fol. 1005] DEFENDANTS' EXHIBIT J'

UNITED STATES

v.

PARAMOUNT FAMOUS LASKY CORP. ET AL.

Defendants' Exhibit 7

Statement Showing Total Number of Claims Filed by Distributors and Exhibitors and Classifying Such Claims—1927 and 1928.

	Number		Amount	
	1927	1928	1927	1928
Total claims filed by distributors and exhibitors, United States	15,890	23,869	$4,363,216.36	86,503,171.75
1. Total Claims filed by *Distributors*, United States	15,040	22,878	4,053,524.06	6,122,269.61
For breach of contract for not exhibiting pictures	11,721	18,684	3,215,854.87	5,545,049.92
For giving bad check	431	692	32,064.38	58,618.21
For pictures unpaid for delivered on open account	1,518	1,654	332,854.16	238,208.23
Late return of print	141	139	10,481.97	8,248.59
Damaged print	264	386	38,513.05	34,474.08
Lost print	51	96	3,661.02	5,828.56
Violation of copyright law:				
1. Switching	36	14	8,500.00	4,780.00
2. Bicycling	121	175	134,966.75	54,117.49
Declaratory award (Validity of contract)	121	154	104,889.59	60,219.63
Declaratory award (interpretation of contract)	15	19	57,913.24	12,663.12
Miscellaneous	240	*865	2,710.08	100,091.81
2. Total claims filed by *Exhibitors*, United States	850	991	309,792.30	381,205.11
Failure to deliver pictures (missouts)	225	382	131,116.59	38,911.59
Violation of protection or "run" clause	154	180	63,466.68	102,361.89
Failure to designate playdates	75	74	46,712.83	21,832.67
Change of title, star or director	19	17	2,825.10	2,861.60
Declaratory award (validity of contract)	58	52	10,758.93	45,713.20
Declaratory award (interpretation)	28	29	1,360.84	16,244.88
Other claims filed	207	261	34,383.02	153,279.28

*671 of these 865 cases were claims to obtain percentage or box office statements.

[fol. 1006]

DEFT'S EXHIBIT K'

UNITED STATES

v.

PARAMOUNT FAMOUS PLAYERS LASKEY CORP. et al.

Defendant's Exhibit No. 8

Years 1927 and 1928

Statement Showing Number of Claims Filed at Each Arbitration Board

City		Claims filed by Distributors		Claims filed by Exhibitors		Total of all claims filed		Number of theatres in territory
		Number	Amount	Number	Amount	Number	Amount	
Albany	1927	187	95,221.16	10	815.83	197	96,056.99	450
	1928	324	212,697.34	24	20,087.17	348	232,784.51	475
Atlanta	1927	321	158,014.27	8	1,810.50	329	159,824.77	773
	1928	558	328,104.07	13	2,025.56	571	330,129.63	816
Boston	1927	427	183,631.89	6	1,510.80	433	185,142.69	1,165
	1928	669	264,309.89	8	1,165.00	677	265,474.89	1,187
Buffalo	1927	467	362,068.29	30	16,139.07	497	378,107.36	533
	1928	691	460,380.86	33	12,535.45	724	472,916.31	422
Butte	1927	29	14,856.03	2	202.22	31	15,858.25	181
	1928	59	15,113.97	8	529.75	67	15,643.72	181
Charlotte	1927	219	43,952.50	29	20,784.66	248	64,737.16	506
	1928	626	209,197.14	14	3,770.30	640	212,967.44	582
Chicago	1927	1,220	326,568.52	75	139,921.95	1,295	466,490.47	1,200
	1928	1,739	309,595.11	59	27,443.84	1,798	337,038.95	1,200
Cincinnati	1927	534	137,119.55	24	2,997.03	558	140,116.58	1,700
	1928	666	233,779.31	42	20,043.82	708	253,823.13	1,790
Cleveland	1927	168	46,405.08	9	1,165.00	177	47,570.08	700
	1928	674	133,313.29	19	6,948.25	693	140,261.54	728

DEFT'S EXHIBIT K' Continued

City		Claims filed by Distributors		Claims filed by Exhibitors		Total of all claims filed		Number of theatres in territory
		Number	Amount	Number	Amount	Number	Amount	
Dallas	1927	789	143,040.00	164	4,458.11	953	147,495.11	1,100
	1928	1,007	281,103.87	164	27,227.98	1,261	308,331.85	1,105
Denver	1927	212	60,146.26	27	3,395.13	239	63,541.39	400
	1928	311	54,903.05	24	4,118.04	335	59,021.09	425
Des Moines	1927	227	77,284.84	9	1,230.50	236	78,515.34	600
	1928	282	86,657.47	12	1,625.00	294	88,282.47	500
Detroit	1927	296	61,142.04	24	13,034.04	320	74,176.08	656
	1928	414	91,911.47	23	2,236.60	437	94,148.07	698
Indianapolis	1927	177	48,643.83	24	6,311.41	201	54,955.24	1,063
	1928	245	127,466.24	26	116,075.61	271	243,541.85	1,098
Kansas City	1927	617	178,959.28	48	21,522.13	665	200,481.41	875
	1928	700	160,312.77	37	5,991.25	737	166,304.02	925
Los Angeles	1927	127	87,628.34	12	10,767.50	139	98,395.84	475
	1928	153	63,460.33	14	5,487.84	167	68,948.17	480
[fols. 1007-1008]								
Milwaukee	1927	233	61,502.85	32	13,190.85	265	77,693.70	612
	1928	327	89,504.16	28	9,668.74	355	99,172.90	690
Minneapolis	1927	No figures available						
	1928	369	97,330.28	7	1,323.10	376	98,722.38	1,500
Memphis	1927	224	83,781.19	18	1,695.32	242	85,476.51	657
	1928	364	124,937.88	20	1,088.61	384	126,026.49	500
New Haven	1927	289	163,593.44	16	8,475.00	305	172,068.44	225
	1928	253	148,091.23	17	39,391.00	270	187,482.23	225
New Orleans	1927	213	66,191.74	12	1,320.70	225	67,512.44	375
	1928	248	122,304.80	6	1,225.50	254	123,530.30	418
New York	1927	5,429	767,511.47	104	9,909.00	5,533	777,420.47	1,276
	1928	7,852	1,232,487.74	149	11,036.00	8,001	1,243,523.74	1,306
Oklahoma City	1927	386	118,661.14	18	2,875.44	404	121,536.58	647
	1928	402	129,692.84	26	6,273.30	428	135,966.14	750

Omaha	1927	266	73,686.58	14	2,102.34	280	75,788.92	530
	1928	456	128,594.14	28	2,523.21	484	131,117.35	1,427
Philadelphia	1927	547	75,198.00	36	5,110.00	583	80,308.00	825
	1928	992	115,971.00	50	4,136.00	1,042	120,107.00	825
Pittsburgh	1927	308	111,526.73	27	4,594.50	335	116,121.23	903
	1928	875	396,149.54	34	7,552.11	909	403,701.65	903
Portland	1927	74	36,835.67	4	1,077.00	78	37,912.67	257
	1928	72	35,449.94	6	312.10	78	35,762.04	280
St. Louis	1927	522	176,813.89	31	2,334.87	553	179,148.76	1,358
	1928	555	148,101.96	25	11,959.66	580	160,061.62	1,362
Salt Lake City	1927	38	21,807.27	6	461.40	44	22,268.67	535
	1928	103	22,976.93	11	2,101.74	114	25,078.67	751
San Francisco	1927	128	67,376.63	8	1,296.50	136	68,673.13	525
	1928	201	121,528.52	18	1,924.03	219	123,452.55	495
Seattle	1927	84	60,210.95	5	774.00	89	60,984.95	431
	1928	95	66,434.11	11	11,818.35	106	78,252.46	420
Washington	1927	282	140,844.63	18	8,479.50	300	149,342.13	600
	1928	506	110,249.39	35	11,560.20	541	121,809.59	800

Total Number of Theatres

1927 (Minneapolis Board figures missing)	22,133
1928	25,078

[fol. 1009] DEFENDANTS' EXHIBIT "M-1"

Statement dated May 18, 1926, signed by Steffes, in re Advisory Committee

[fol. 1010] Richards—First National offices.
O'Reilly—MPTO CofC.
Woodhull—MPTO of America.

[fol. 1011] May 18, 1926.

A meeting was held at the office of the Motion Picture Producers and Distributors of America, Inc., attended by the representatives of all national and regional distributors of motion pictures and the Advisory Committee of exhibitors appointed at the Union League Club meeting held in February of this year, consisting of Charles L. O'Reilly, E. V. Richards, W. A. Steffes and R. F. Woodhull.

The subject matter of the meeting was a consideration of the administrative methods of the various distributors for putting into effect the Standard Exhibition Contract adopted in the industry by agreement between the distributors and the exhibitors. This Standard Contract being intended as a vehicle for the agreement between distributor and exhibitor for the exhibition of motion pictures contemplated the insertion of special terms peculiar to the distribution method of each company.

No changes have been made in the standard clauses of the Exhibition Contract.

Certain forms of language having been suggested by the distributors for the purpose of carrying out their particular distribution methods, these clauses were discussed with the Advisory Committee. Wherever such proposed clauses were construable as inconsistent with provisions of the Standard Contract, they were either voluntarily or upon suggestion of the Advisory Committee withdrawn by the distributors. In other instances, where the special provisions were not in conflict with the Standard Exhibition [fols. 1012 & 1013] Contract, but were designed to express the particular terms of the kinds of arrangements proposed by distributors, these provisions were discussed and on the suggestion of the Advisory Committee were adopted in

such form that the attention of the exhibitor will be specifically drawn to the special terms of each contract.

Furthermore, there were accepted by the distributors at the Advisory Committee's suggestion the following constructive suggestions of the Advisory Committee, to-wit:

1. The establishment of a one-year statute of limitations preventing the assertion of stale claims before Boards of Arbitration and limiting such claims to those which have arisen within one year;

2. An arrangement whereby Boards of Arbitration are given equity power to the extent of restraining anticipated breaches of contract by distributors or other exhibitors.

W. A. Steffes.

[fol. 1014] DEFENDANTS' EXHIBIT "N-1"

Report of Meetings of Contract Committee

[fol. 1015] Contract Committee Appointed by the 1927 Motion Picture Trade Practice Conference

Report of the Meetings Held in the City of Chicago January 31, February 1, 2, 3, 4, 5, and 6, 1928

[fol. 1016] Clause One

The Exhibitors propose that the first clause be stricken out, and that the following new clause be substituted:

"First. The Distributor warrants that there is contained herein all of the numbered Articles of the 'Standard Exhibition Contract' agreed upon by the Contract Committee appointed at the 1927 Motion Picture Trade Practice Conference (an authenticated copy of which has been filed with the American Arbitration Association. The Distributor also warrants that any clauses in addition thereto appearing upon the schedule have been approved by such Contract Committee and that any additional clauses appearing upon the rider, if any, hereto annexed are not inconsistent with any of such numbered articles. It is agreed that any clauses contained in such rider shall be of no effect unless

such rider be signed by the parties hereto. It is agreed that any agreement contained in the schedule covering or describing what photoplays are licensed hereunder, and in respect of any license fees and exhibition dates shall not be deemed an additional clause for the purposes of this Article."

That all additional clauses not agreed to by the Contract Committee be incorporated in a rider to be signed by the Exhibitor.

[fol. 1017] That no clauses are to be added to the contract unless first submitted to the Committee, and that added clauses not agreed to by the Committee may be added as a rider to be signed by the Exhibitor; and if signed, rider to them be deemed part of the contract.

The Distributors concur in the Exhibitors' proposed clause and principles.

Clause Two

The Distributors propose that the second paragraph of Article Second be incorporated in Article Third, and that the Second Article be amended to read as follows:

"Second. The Distributor hereby grants to the Exhibitor, and the latter accepts, a license under the respective copyrights of the several photoplays designated and described, in the Schedule herein, subject to the terms and conditions hereinafter stated to exhibit (during the year commencing, with the date fixed or determined as hereinafter provided for the exhibition in the above named theatre of the first photoplay deliverable hereunder, unless otherwise in the Schedule agreed upon) each of such photoplays at the said theatre only, for the number of successive days in the said schedule specified."

The Exhibitors concur in the foregoing proposal of the [fol. 1018] Distributors.

The Exhibitors propose that a clause be added to Article Second to provide that the Exhibitor shall have the option at the end of the term of the contract to either accept or decline to accept such photoplays that shall not have then been delivered.

The Distributors cannot concur in the Exhibitors' proposal unless the Distributors have a like right to either deliver or not to deliver such pictures.

The Distributors propose that if the contract provides for one or more theatres, the right to exhibit the pictures shall not be deemed to include the right to exhibit at more than one such theater.

The Exhibitors concur in this proposal of the Distributors.

The Exhibitors propose that a clause be added to the contract to provide that all applications taken at the same time are to be deemed one transaction.

The Distributors concur in the proposal of the Exhibitors, but recommend that Article 22 contain the following provision: "This application and any application for other photoplays of the Distributor executed by the Exhibitor at the same time shall, for the purposes of this Article only, be deemed one application unless an agreement to the contrary contained in the schedule is specifically signed by the Exhibitor.

[fol. 1019] The Exhibitors concur in the Distributors' recommendation.

Clause Three

The Exhibitors and the Distributors agree that the Third Clause be stricken out, and substitute the following:

"Third. The Exhibitor agrees to exhibit under said license said photoplays but only at the theatre above specified on the exhibition date or dates fixed in the schedule or determined as hereinafter provided and not to allow any positive print thereof to leave the Exhibitor's possession during the period specified for the exhibition thereof by the Exhibitor nor to exhibit or to permit the exhibition of any such positive print at any other time or place. Such license shall be specifically for such exhibition of such photoplays and for no other purpose."

Clause Fourth

The Exhibitors propose adding at the end of the clause the words "unless otherwise agreed in writing."

The Distributors cannot concur in the Exhibitors' proposal.

The Exhibitors withdraw their proposal.

Clause Fifth

The Distributors propose that at the end of paragraph [fol. 1020] first there be added the following clause: "and upon such date or dates an authorized representative of the Distributor is hereby authorized to verify the sale of all tickets of admission to said theatre and the receipts therefrom: and for such purpose shall have access to the theatre, including the box office."

The Distributors further purpose a liquidated damage clause be added to the contract, a copy of which was delivered to the Exhibitors.

The Exhibitors propose that the second paragraph of Article Fifth be stricken out, and that the third paragraph be consolidated with the first paragraph.

The Exhibitors reject the Distributors' proposed liquidated damage clause and withdraw their proposal to strike out the second paragraph, upon the agreement of the Distributors that the examination of the books be made by a certified public accountant or in the alternative that the box office statement shall be sworn to before a notary public.

The Exhibitors concur in the Distributors' proposed amendment to paragraph first provided that the representative of the Distributor shall not be a resident of the place where the theatre is located excepting representatives residing in key cities.

Clause Sixth

The Exhibitors proposed that Clause Sixth be stricken out, and thereafter withdraw such proposal.

[fol. 1021] Clause Seventh

The Exhibitors propose that in the fifth line the word "first" be stricken out and the word "last" be substituted in place thereof, and that proposition should be made in the contract that in case of the construction of a new theatre or the opening of a closed theatre in a zone in which the

Exhibitor's theatre is located and in which zone protection has been granted him, that if such newly constructed theatre or closed theatre opens after the date of the Exhibitor's contract, both of such theatres shall be deemed to be included in his protection.

The Distributors concur in the proposals of the Exhibitors.

The Distributors and the Exhibitors agree that in the second line the word "authorized" be stricken out and the word "exhibit" be substituted in place therefor.

The Distributors and the Exhibitors agreed that in the third line the words "violation of" be stricken out and in place thereof the words "conflict with" be substituted.

Clause Eighth

The Exhibitors propose that Clause Eighth be consolidated with Clause Tenth; and, further, that in the case of a miss-out by a carrier the Arbitration Board be given the right to require that future shipments should be made at a time earlier than the usual time.

The Distributors concur in the Exhibitors' proposals.

[fol. 1022] Clause Ninth

Mr. Ritchie: First. That the first run Exhibitor shall play all pictures within sixty (60) days after the first public exhibition in the United States; failing to do so, the machinery set up in Clause Nine as amended shall automatically be put into operation.

Two. Where an Exhibitor shall be unable to secure play dates and play the picture because of the inability of the Distributor to secure a prior run and said delay shall continue for a period of ninety (90) days after the first public exhibition in the United States, said Exhibitor shall have the option of cancelling the picture unless the Distributor is willing to immediately declare or make the picture available for the next run.

Three. No notices of availability to be mailed until the print is in the exchange, and all notices of availability to be made by registered mail or telegraph.

Paragraph 2, Article B. That where the Exhibitor does furnish a play date in conformance with Paragraph 1 of Article B and the Distributor is unable to furnish the date or dates selected by the Exhibitor within the four (4) weeks period specified, the Exhibitor then has the option to cancel the picture.

(By the Distributors)

In the second line of Article Ninth: After the word "speci-
[fol. 1023] fied" put in "or otherwise provided for."

The Distributors propose in place of the first two proposals of the Exhibitors that there be incorporated in the contract a clause to the following effect:

If within ninety (90) days of the time when prints of a picture are delivered to an exchange a first run in the territory where the exchange is situated and which has been contracted for has not played the picture, upon request of the Exhibitor having the run immediately subsequent to the first run, the Distributor shall be obligated to give notice of the date of availability of the picture to the first run and the date shall be fixed by the Distributor as in Article Ninth provided. This provision is not to apply to pictures for which first runs have not been contracted for, or to extended run houses.

With respect to the two remaining proposals of the Exhibitors, the Distributors propose that the provisions of the Standard Exhibition Contract in such respects remain unchanged.

Friday, February 3, 1928.

Exhibitors—Clause Ninth

The Exhibitors reject the Distributors' counter proposal in respect to Clause Ninth.

[fol. 1024] Clause Tenth

The Exhibitors propose that in the first paragraph the provision giving the right to the Distributor to designate the carrier to which the Exhibitor shall deliver prints to

return to the Exchange or to the next Exhibitor shall be eliminated, and that such right be in the Exhibitor.

The Distributors concur in the proposal of the Exhibitors, provided that such carriers should be financially responsible, satisfactory to the Distributors and bonded at a reasonable amount to each Distributor, to insure the safe and prompt return of prints; and in localities where there are no trucking companies that the Exhibitor be required to return prints by the most rapid carrier service.

The Exhibitors refuse the Distributors counter offer; thereupon, the Distributors withdraw their offer.

In regard to the second paragraph, the Exhibitors propose that the second paragraph be stricken out and that the following paragraph be substituted in place thereof. "If the Exhibitor fails to or delays the return of any positive print to the Distributor or fails to forward or delays forwarding (as directed by the Distributor) any such print to any other exhibitor the Exhibitor agrees to pay the Distributor the damage, if any, so caused the Distributor and in addition the damage, if any, so caused such other exhibitor as shall be determined by arbitration as provided for in Article Twentieth hereof."

[fol. 1025] The Distributors concur in the proposal of the Exhibitors, provided the arbitration rules are amended so as to provide that either party to a controversy may require the Board of Arbitration to bring in and make parties to such controversy third parties interested in the same controversy; and in case of an award against a distributor by reason of a breach of the provisions of the second paragraph of Article Tenth and the cause of such breach is claimed by the Distributor to have been by reason of the acts of a forwarding exhibitor and such claim is sustained, the Board of Arbitration at the same time of making an award against the Distributor shall make an award for the same amount against the forwarding exhibitor in favor of the Distributor.

Clause Eleventh

Mr. Ritchie: That in Clause Eleventh the price of four (4) cents for each linear foot of any positive print be changed to the actual laboratory cost on all film destroyed.

That after the word "credit" in Line 14 be added these words: "at the option of the Exhibitor."

That there be added to the Clause a provision that the damage shall be computed on the basis of the life of the film being fifty (50) runs where the damage has not resulted in a miss-out to a subsequent run.

[fol. 1026] That there also be added after this sentence: "If any positive print shall be received from the Exhibitor by the Distributor or any subsequent exhibitor in a damaged or partially destroyed condition——" the following "Because of negligence on the part of the Exhibitor"—balance to go on as written here.

After the word "letter" in Line 22, eliminate the words "on the day of receipt of such print" and add in the Clause, "any damages caused the Exhibitor because of the Distributor sending out a print in poor condition be fixed by the Arbitration Board."

Distributors: In respect to the Exhibitors' first proposal, the Distributors propose in place of substituting "laboratory cost," that there be incorporated "replacement cost."

In respect to the Exhibitors' second proposal, the Distributors concur with Exhibitors' proposal.

In respect to the Exhibitors' third proposal, the Distributors' proposal to substitute replacement for laboratory cost in effect makes the Exhibitors' proposal unnecessary.

[fol. 1027] In respect to the Exhibitors' fourth proposal, the Distributors concur in the proposal of the Exhibitors.

In respect to the Exhibitors' fifth proposal, the Distributors concur in striking out the words "on the day of receipt of such prints," but cannot concur in respect to the remainder of the proposal because the proposed provision is too broad and indefinite.

Exhibitors—Clause Twelfth

We propose that the Clause as contained in the contract at present be eliminated, and this Clause substituted:

(1) The photoplays herein contracted for must be identified by specific designation of star, or director, or author, or book, or play, or by identifying description of the story.

(2) The substitution by a producer or distributor of any photoplay contracted for by any exhibitor as the photoplay of a specified star, or specified director, or as based upon a

specified story, book or play of any photoplay in which such specified star does not appear or which has not been directed by such specified director, or which is not based upon such specified story, book or play, as the case may be, unless with the consent of the Exhibitor, the Exhibitor shall have the option to refuse or accept such photoplay.

(3) Any photoplay which is a re-issue from old negatives [fol. 1028] or old negatives re-named must be so marked in the schedule and sold individually.

Distributors—Clause Twelfth

We propose that the clause be redrawn so as to read as follows: (Clause given Exhibitors).

Exhibitors—Clause Twelfth

The Exhibitors group concur that the clause as submitted by the Distributors is practically a repetition of the clause as submitted by the Exhibitors, and we cannot find anything objectionable in the clause. However, it is rejected because of the fact that it does not set forth, as the Exhibitor clause did, first, the fact that the photoplays should be identified by a specific designation of star, director, author, book or play and because of the fact that it does not provide any recourse on the part of the Exhibitor in case the clause is violated. We reject your clause relative to re-issues.

Distributors—Clause Twelfth

The Distributors concur in the proposal of the Exhibitors that Clause Twelfth be stricken from the contract, and that the following proposals of the Exhibitors be incorporated in a new clause:

One. That the photoplays contracted for be identified by [fol. 1029] specific designation of star or director or author or book or play or by identifying description of the story.

Two. That the substitution by a producer or distributor of any photoplay contracted for by an Exhibitor as a photoplay of a specified star or specified director or as based upon a specified story, book or play of any photoplay in which such specified star does not appear or which has not been directed by such specified director or which is not

based upon such specified story, book or play, as the case may be, unless with the consent of the Exhibitor, the Exhibitor shall have the option to refuse or accept such photoplay.

Three. That any photoplay which is a re-issue from old negatives or old negatives re-named must be so marked in the schedule and not sold with new pictures.

And the Distributors propose further that there be added to the clause a provision to the effect that in the production of any story, book or play, the producer thereof shall have the right to make such alterations, changes or adaptations as are necessary for the purposes of producing a motion picture therefrom.

Mr. Bernstein: It is agreeable to the Exhibitors.

[fol. 1030] Exhibitors—Clause Thirteenth

That after the word "assignee" in the seventh line of the Thirteenth Clause balance of the clause be stricken out and this clause substituted: "and the acceptance on the part of the Distributor shall relieve the original signer of the contract from liability hereunder."

Distributors—Clause Thirteenth

The Distributors cannot concur in the proposal of the Exhibitors because of the existing evil in the industry arising out of the transfer of theaters for the purpose of avoiding existing contracts and for the further reason that it would put the burden on the Distributor upon an assignment being made, of determining the financial responsibility of the assignee without adequate time to make such examination because of the almost universal requirement of the assignee for a continuation of service of pictures without interruption.

Distributors—Clause Fourteenth

The distributors propose that in the third line of the First Paragraph the word "competent" be stricken out and there be substituted in place the words, "duly authorized."

That in the third paragraph adequate provisions be made for the enforcement of the provisions of that paragraph.

Exhibitors—Clause Fourteenth

The Exhibitor group ask that Paragraphs One and Two of this Clause be eliminated.

[fol. 1031] Distributors—Clause Fourteenth

The Distributors cannot concur in the proposal of the Exhibitors to strike out Paragraphs One and Two because of the existing contracts with stars, directors, authors and other artists, requiring producers and distributors to make the very provisions now in the contract which the Exhibitors propose to strike out; in respect to that part of the second paragraph which provides that "All advertising accessories must not be sold, leased or given away by the Exhibitor," the Distributors cannot concur for the following reasons: It is vital to this industry that proper advertising accessories be designed and provided by the Distributors, and this cannot be done unless the Distributors have the control of the sale and leasing of the advertising accessories and providing adequate facilities for handling of same.

Exhibitors—Clause Fourteenth

In view of the Exhibitors' proposal that Paragraphs One and Two be eliminated, it becomes necessary for the Exhibitors to reject the Distributors' suggestion as to amendments to the first paragraph of Clause Fourteenth.

The Exhibitor group are not in favor of any provision for the enforcement of the third paragraph.

Exhibitors—Clause Fifteenth

The Exhibitors ask that the words "for which compensation is received" be eliminated, and that a provision be added that in case, in the opinion of an Arbitration Board, [fol. 1032] advertising is included in the production, which advertising cannot be eliminated because of the fact it would disconnect the continuity, then and in that case the Exhibitor be given the option to accept or reject that production, if the Board of Arbitration feels that it is justified.

Distributors—Clause Fifteenth

The Distributors cannot concur in the proposal of the Exhibitors, but propose that at the end of the paragraph there be added the words "by the Distributor."

Exhibitors—Clause Sixteenth

The Exhibitors ask that this Clause be eliminated.

Distributors—Clause Sixteenth

The Distributors cannot concur in the elimination of Clause Sixteenth.

Exhibitors—Clause Seventeenth

Clause Seventeenth is accepted by the Exhibitors' body with the following additions:

"That none of the pictures named in the schedule above shall be licensed for exhibition to the public in any other place than a regularly established commercial theater charging an admission fee."

Third paragraph. Upon complaint of any Exhibitor or Exhibitors that the above sections are not being enforced by the Distribution, and upon further showing that the Distributor thereafter fails or refuses to enforce the [fol. 1033] same, as provided in this contract, said Exhibitor or Exhibitors at their option, after a verification of the violation by the Arbitration Board, may cancel any existing contract with said Distributor.

Distributors—Clause Seventeenth

The Distributors recognize the conditions which prompted the Exhibitors' proposed clause, but are seriously doubtful of the right of the Distributors and the Exhibitors to agree to it because, first, the clause is so sweeping in its possible effects that the proposed remedy of the existing conditions might prove even worse than the conditions themselves; and second, because of the possibility of antagonizing churches, schools, civic organiza-

tions and other similar institutions by both Distributors and Exhibitors. Therefore, the Distributors propose that before an attempt is made to prepare a clause the legality of the principle involved be determined.

Exhibitors—Clause Seventeenth

The Exhibitor group cannot concur in the observations made by the Distributors on their rejection of the Exhibitors' proposal for Clause Seventeenth, and the Exhibitors hereby state that they have no desire nor do they feel that the proposals as offered are such as could be found to be objectionable to any school, church or civic organization or other similar institution to whom the exhibitors we represent have always attempted to render every cooperation in assisting them to carry on their [fol. 1034] laudable activities.

Exhibitors—Clause Eighteenth

As a general recommendation the Exhibitors recommend that the clause be shortened and simplified, if possible.

In the fifth line of the first paragraph, following the word "jurisdiction" add "or local conditions not subject to Exhibitor's control."

In the eighth line of the second paragraph, starting with the word "or" and ending on the tenth line with the word "Exhibitor" we ask be eliminated to conform to the agreement made in Clause Tenth.

Add after the word "delay," in line 15 of the second paragraph: "not, however, to extend beyond the final limit of the contract as provided in Section 2, as amended."

Distributors—Clause Eighteenth

The Distributors propose that in the second paragraph, fifth line, after the word "carrier" there be inserted the words, "United States postal authorities."

Exhibitors—Clause Eighteenth

The Exhibitors concur in the Distributor's proposal that after the word "carrier," fifth line, second paragraph,

[fol. 1035] there be inserted "United States postal authorities."

Exhibitors—Clause Eighteenth

(Fifth Proposal)

The Exhibitors ask to strike out the word "any" in the 25th line of the second paragraph of Clause Eighteenth.

The Exhibitors ask, after the word "hereof," 26th line, to strike out the remainder of the paragraph.

Distributors—Clause Eighteenth

The Distributors concur in the recommendation of the Exhibitors that this clause be shortened and simplified, if possible.

The Distributors cannot concur in the second proposal of the Exhibitors, to add after the word "jurisdiction" the phrase "or local conditions not subject to Exhibitor's control" because the clause is so indefinite and general that it would in effect nullify the contract.

The Distributors concur in the third proposal of the Exhibitors, to strike out in the eighth line of the second paragraph, starting with the word "or" and ending on the tenth line with the word "exhibitor."

The Distributors cannot concur in the fourth proposal [fol. 1036] of the Exhibitors, to insert after the word "delay" in line fifteenth of the second paragraph the phrase, "not, however, to extend beyond the final limit of the contract as provided in Section two as amended," because it would give to the Exhibitor an option after the expiration of the term of the contract either to accept or reject pictures, the production of which has been delayed for causes specified in the paragraph.

Distributors—Clause Eighteenth

(Fifth Proposal)

The Distributors concur in the Exhibitors' Fifth proposal.

Distributors—Clause Eighteenth

Because the fifth proposal of the Exhibitors is contingent upon other portions of this paragraph and of similar

proposals in Paragraph Two, the concurrence on the part of the Distributors is not acceptable unless the other proposals to change Clauses 18 and 2 are acceptable by the Distributors.

Distributors—Clause Eighteenth

The Distributors' concurrence in the Exhibitors' proposal to strike out from the second paragraph of Clause Eighteenth the proviso at the end thereof was not made contingent upon the proposals made by the Exhibitors in respect to Article Second and the addition to the provisions of the second paragraph in Article Eighteenth.

[fol. 1037] Exhibitors—Clause Nineteenth

Clause Nineteenth is satisfactory to the Exhibitors' group.

Clause Nineteenth

Clause Nineteenth agreed to on both sides.

Exhibitors—Clause Twentieth

The Exhibitors' group recommend that Clause Twentieth be re-written, to provide that after a violation of any clause in this contract arbitration be optional with both parties.

Distributors—Clause Twentieth

The Distributors cannot concur in the Exhibitors' recommendation for the reason that the record of compulsory arbitration in the motion picture industry has demonstrated conclusively its benefits to all engaged in the industry.

Distributors—Clause Twentieth

The Distributors propose that the necessary changes in paragraph first be made to conform to the amended first clause, that is, striking out "Motion Picture Producers and Distributors of America, Inc., bearing date March 1, 1926" and so forth.

Paragraph three, sixth line, beginning with the word "or," strike out the remainder of the line.

[fol. 1038] Also strike out seventh, eighth, ninth and tenth lines, ending with the word "Exhibitor."

Fourth paragraph. Make the same changes and omissions proposed to be made in the third paragraph.

Exhibitors—Clause Twentieth

The Exhibitors cannot concur in the Distributors' recommendation for Clause Twentieth because of the previously stated objections on the part of the Exhibitors' Committee to the subject matter of the clause.

Distributors—Clause Twenty-first

The Distributors propose that at the beginning of Clause Twenty-First there be inserted the following phrase: "This contract is complete and."

Exhibitors—Clause Twenty-first

The Exhibitors ask to add after the words "set forth herein," "or as otherwise made in writing."

Distributors—Clause Twenty-first

The Distributors cannot concur in the Exhibitors' proposal to add to the clause the words, "or as otherwise made in writing."

Exhibitors—Clause Twenty-first

The Exhibitors' group reject the suggested addition as made by the Distributors to this Clause because they feel that it is superfluous.

[fol. 1039] Exhibitors—Clause Twenty-second

Add after the word "only" in line two the following: "unless otherwise specified in the schedule this application shall be deemed to be for the first showing or run in the particular zone or territory in which the theater above named is located.

In the same paragraph, line four, after the word "acceptance" eliminate "sent to" and substitute "received by."

In the second paragraph of Clause Twenty-Second, second line, eliminate "sent to" and substitute "received by."

After the first paragraph insert a new paragraph to read as follows: "This application and any application for other photoplays of the Distributor, executed by the Exhibitor at the same time, shall for the purposes of this Article only be deemed one application unless an agreement to the contrary contained in the schedule is specifically signed by the Exhibitor."

And in the time specified for the various exchange centers change: Los Angeles, 25, to Los Angeles 20; and change Portland, Ore. 30, to Portland, Ore. 20.

[fol. 1040] Distributors—Clause Twenty-second

The Distributors propose in respect to Clause Twenty-Second, first paragraph, seventh line: after the word "hereunder" insert "or the delivery of a print of any of the photoplays or the furnishing of any advertising accessories."

Second paragraph. That the times specified in the following cities be changed to read as follows:

Atlanta from 15 days to 20 days.
Cincinnati from 15 days to 20 days.
Dallas from 20 days to 30 days.
Memphis from 15 days to 20 days.
Omaha from 15 days to 20 days.
Pittsburgh from 10 days to 14 days.
Salt Lake City from 20 days to 30 days.
Seattle from 20 days to 30 days.
Washington, D. C. from 10 days to 14 days.

Distributors—Clause Twenty-second

The Distributors cannot concur in the Exhibitors' proposal to add after the word "only" in line two the proposed clause.

The Distributors cannot concur in the Exhibitors' proposal to strike out the words "sent to" in the first and

second paragraphs and substituting in place therefor the words "received by."

[fol. 1041] The Distributors concur in the Exhibitors' proposal to insert the new paragraph proposed.

The Distributors cannot concur in the Exhibitors' proposal to change the times for the acceptance of the Exhibitors' applications in Los Angeles and Portland respectively from 25 days to 20 days and from 30 days to 20 days.

Exhibitors—Clause Twenty-second

The Exhibitors reject that part of the Distributors' proposal contained in the first paragraph, seventh line, which reads, "or the delivery of a print of any of the photoplays or the furnishing of any advertising accessories," and accept the balance of that proposal; and recommend that there be added to this clause the following ~~provision~~: "but the receipt by the Exhibitor of a confirmation of date shall be deemed an acceptance of the contract for that picture only unless said confirmation be plainly marked 'tentative.'

The Exhibitors withdraw their recommendations as relating to the time for delivery, and accept the recommendations as contained in the Distributors' proposition for Atlanta, Cincinnati, Dallas, Memphis, Omaha, Pittsburgh, Salt Lake City, Seattle and Washington.

[fol. 1042] Exhibitors—Schedule

The Exhibitors recommend the elimination of the two paragraphs contained under "Schedule", as being already provided for elsewhere in the contract, and suggest in its place the following language: "On the same side of the application with the signature of the Exhibitor and the space provided for approval by the Distributor shall be provided space in which shall be specified the designation of the photoplays as enumerated in Clause Twelfth as adopted. The price, number of days, protection period and run, if any, agreed upon and the playing arrangement, if any."

Distributors—in re Signatures

The Distributors concur in principle with the idea expressed in the Exhibitors' proposal that on the same side

of the application with the signature of the Exhibitor there be space provided for the approval by the Distributor in which shall be specified the photoplays, the price, the number of days, protection period and run, if any, agreed upon and the playing arrangement.

Optional Cancellation Clause

It was agreed by Exhibitors and Distributors that all additional clauses be placed under the title, "Approved additional clauses which may be added in the Schedule".

[fol. 1043] Exhibitors Proposed New Clause

Application for contract having been signed by one Exhibitor, no further effort to sell the same service to another Exhibitor directly competing with such Exhibitor shall be made until the application so signed has been duly rejected, accepted or withdrawn in accordance with its terms, and the Exhibitor so notified.

In case of violation of this clause, as determined by the Board of Arbitration or other duly constituted authority, the contract of the Exhibitor first signing shall be deemed automatically approved.

Distributors' Further Efforts to Sell the Same Service

The Distributors cannot concur in the proposal of the Exhibitors to add a clause to the contract in respect to further efforts to sell the same service to another exhibitor directly competing with such Exhibitor because of the fact that the proposed clause expresses a trade practice which was declared unfair at the Trade Practice Conference; and for the further reason that the clause proposed cannot properly be made a part of the contract.
February 5, 1928.

Exhibitors' Reply on Phrase "Which May Be Added in the Schedule"

The Exhibitors' group ask that the phrase, "which may [fol. 1044] be added in the Schedule" be eliminated; and that the heading, "Optional Cancellation Clause" be stricken out of the Clause.

The Distributors concur in the Exhibitors' proposal with reference to the phrase, "which may be added in the schedule" and with reference to the heading, "Optional Cancellation Clause."

Distributors' Proposed Clause to Be Added to Contract (E)

If the Exhibitor shall claim that the exhibition at the above theatre of any photoplay licensed hereunder will be offensive to the public in the place where such theatre is located, because of racial or religious subject matter and if the Exhibitor shall give written notice to the Distributor of such claim within seven days after the Distributor shall have sent to the Exhibitor written notice that any such photoplay is available for exhibition hereunder, such claim shall be immediately submitted to the Board of Arbitration herein specified. If such Board of Arbitration shall specifically determine that the exhibition of such photoplay at such theatre will be offensive to said public because of racial or religious subject matter, then such photoplay shall be excepted from this contract and not otherwise. The Distributor may exhibit or license the exhibition of any photoplay so excepted when and [fol. 1045] where desired by the Distributor free from all claims of the Exhibitor.
February 5, 1928.

Exhibitors' Reply to Distributors' Proposal on Racial and Religious Clause "E"

The Exhibitor group reject the Distributors' proposal on the racial and religious clause, and recommend the following clause to be substituted:

"If an Exhibitor shall claim within a reasonable time prior to the date fixed for the exhibition of any picture under this contract that such picture will be offensive to the clientele of his theatre because of racial or religious subject matter, such claim shall be arbitrated by the Board of Arbitration or other reviewing authorities of the proper zone; and if sustained such Exhibitor shall be relieved of obligation to take and pay for such picture."

Distributors' Proposed Clause to Be Added to Contract (F)

If the license herein granted shall apply to an entire group of photoplays offered by the Distributor to the Exhibitor at one time, and not otherwise, the Exhibitor shall have the right to exclude from this contract up to but not exceeding ten per cent of the total number of such photoplays, but only if the Exibitor shall give the Distributor written notice to such effect at any time not later than [fol. 1046] seven (7) days after the Distributor shall have sent to the Exhibitor written notice that any such photoplay is available for exhibition hereunder, and if at the same time the Exhibitor shall pay to the Distributor one-half of the license fee payable in respect of any such photoplay. In computing such ten percent, fractions of less than one-half shall be disregarded. If any such photoplay shall, because of such exclusion, be thereafter licensed by the Distributor for the same run as that specified in this contract, for exhibition at another theatre where such excluded photoplay would not have been exhibited if not so excluded, then one-half of the license fee (up to but not exceeding the amount paid by the Exhibitor to the Distributor as a condition of so excluding such photoplay) received by the Distributor for such re-license, shall be credited to the Exhibitor by the Distributor.

If the license fee for any such photoplay so excluded is to be computed either in whole or in part upon a percentage of gross receipts of the Exhibitor's theatre, then for the purpose of computing such one-half of such license fee payable hereunder in respect of such photoplay such gross receipts for each day that any such photoplay is licensed hereunder for exhibition thereat shall be deemed to be the average daily gross receipts of such theatre during the period of thirty (30) operating days immediately prior to such date of availability of such photoplay.

[fol. 1047] Distributors—Racial or Religious Subject-Matter

The Distributors cannot concur in the proposed substitute clause offered by the Exhibitors to the clause offered

by the Distributors in respect to the withdrawal of pictures that are offenisve because of racial or religious subject-matter.

Exhibitors' Reply to Distributors' Proposal "F"

The Distributors' proposed clause to be added to the contract relative to cancellation of certain pictures on the contract by paying a portion of the film rental: The Exhibitor group reject Distributors' proposal "F" and offer the following as a substitute: "If this contract embraces a group of photoplays the Exhibitors shall have the right to eliminate from said group ten per cent (10%) of the photoplays herein contracted for by giving the Distributor notice in writing fourteen (14) days prior to the play date of the picture as provided in the contract or as previously provided for, and upon giving such notice shall relinquish any and all claims he had under this contract for such photoplays. In computing such ten per cent, fractions of less than one-half shall be disregarded.
February 5, 1928.

Exhibitors' Reply to Distributors' Proposal "F"

The Exhibitors' body ask permission to withdraw their amendment to the Distributors' Proposal "F" as sub-[fol. 1048] mitted by the Distributors, and ask that the Exhibitors be given further time to consider the Distributors' Proposal on this question.

The Distributors grant the above request.

Block Booking—Exhibitors

The Exhibitor members of the Committee have approached with considerable reluctance the problem as presented by the clause which follows, because of the fear that the inclusion of such a clause might be construed as an attempt on the part of the three Exhibitor members to set up the provisions of this clause as a solution of the block booking problem. However, in deference to the recommendation made at the Federal Trade Conference, we are approving the clause in the exact language of the resolu-

tion, but not to be construed as a satisfactory solution of a problem that we feel has no place in the contract:

"If any Exhibitor who has purchased an entire block of pictures offered by any Distributor so elects within a reasonable time prior to the date fixed for exhibition of any picture included in such block, such Exhibitor may refuse to take such picture by paying one-half of the allocated price thereof, provided that the picture so rejected out of any block shall not exceed ten per cent. of the number included in such block, and if the rejected picture or pictures are re-sold by the Distributor one-half of the net price received on such re-sale shall be credited against the Exhibitor's obligation in respect of such picture up to the amount of such obligation."

Distributors' Proposal for an Added Clause (H)

The Distributor shall have the right to "road show" [fol. 1049] and or cause to be "road shown" at any time prior to the exhibition thereof hereunder such of the photoplays herein licensed (but not to exceed a total of four) as the Distributor may from time to time select; provided that each such photoplay so selected shall be generally "road shown" only in theatres to which an admission charge of not less than one dollar for the majority of the orchestra seats thereof shall be made during exhibitions thereof at evening performances, and provided the Exhibitor shall have the right to exclude from the contract each photoplay so selected but only if the Exhibitor shall give to the Distributor at its home office written notice to such effect within thirty days after the Distributor shall have mailed to the Exhibitor notice of the Distributor's intention to "road show" such photoplay. As to each photoplay so "road shown" the license herein granted and the "run" and/or protection if any specified herein shall be subject and subordinate in all respects to all such "road show" exhibitions and the Exhibitor agrees not to advertise or make public announcement that any such photoplay is to be exhibited hereunder until the Distributor shall notify the Exhibitor in writing that such photoplay is available for exhibition hereunder.

If the Exhibitor shall not have excluded any such photoplay as hereinabove provided each such photoplay shall not be deemed available for exhibition hereunder until after the completion of all "road show" exhibitions thereof in [fol. 1050] the United States and the period specified in Article Second hereof shall be deemed extended to and including the date or dates for the exhibition of each such photoplay hereunder which shall be determined pursuant to Article Ninth hereof and the Distributor shall deliver and the Exhibitor shall exhibit each such photoplay upon the date or dates so determined.

Exhibitors' Reply to Distributors' Proposal on Road Shows "H"

The Exhibitor group reject the Distributors' Proposal, and recommend a clause to read as follows:

"The Distributor shall have the right to road show at any time prior to the exhibition thereof hereunder such of the photoplays herein licensed (not to exceed two) as the Distributor may from time to time select, provided that each such photoplay so selected shall be road shown in at least ten key cities only in theatres to which an admission charge of not less than $1.50 for the majority of orchestra seats shall be made during exhibitions thereof at evening performances; and, further, that the Exhibitor shall have the right to eliminate from any contract or contracts with the Distributor one photoplay for each photoplay withdrawn for road show purposes, by mailing notice to the Distributor not later than seven days after the receipt of notice of availability. As to each photoplay so road shown the license herein granted and the run and or protection, if any, specified, shall be subject and subordinate to all such road show exhibitions, and the Exhibitor agrees not to advertise or make public announcement that any such photoplays are to be exhibited hereunder until the Distributor shall notify the Exhibitor in writing that such photoplay is available for exhibition hereunder."

Distributors' Road Shows

The Distributors cannot concur in the proposed substi- [fol. 1051] tute to the clause proposed by the Distributors in respect to road shows.

Distributors' Proposal for an Added Clause (I)

Unless notice of cancellation shall be sent by mail by either party hereto to the other party at least thirty (30) days prior to the expiration of one year from the starting date above specified, this news reel contract shall renew itself and continue in force for a further period of one year, and shall likewise renew itself and continue in force, from year to year thereafter, unless notice of cancellation shall be sent by mail by either party hereto to the other party at least thirty (30) days prior to the expiration of the year in which such notice shall be sent. The Distributor agrees, at least forty-five (45) days prior to the expiration of any such year, to mail notice to the Exhibitor, advising the Exhibitor of the date when such year shall end.

Exhibitors' Reply to Distributors' Proposal (I)

Distributors' proposal for added clause, which we have numbered "A," relative to automatic renewal: Clause rejected by Exhibitors.

Distributors' Proposal for an Added Clause (J)

In addition to the provisions of Article Twenty-second [fol. 1052] hereof, it is agreed that this instrument shall not become binding upon the producer unless accepted in writing by the producer, (evidenced by the countersignature hereon of a duly authorized representative of the producer) nor shall it become binding upon the distributor unless accepted in writing by the distributor as provided in Article Twenty-second hereof.

(NOTE.—This clause may be added to the schedule of the Standard Exhibition Contract only in respect to photoplays produced by a producer not controlled by the distributor and only if the distributor's contract with such producer provides that applications for contract to exhibit the producer's pictures shall be subject to the approval of the producer.)

February 5, 1928.

Exhibitors' Reply to Distributors' Proposal for an Added Clause, the Addition to the Provision of Article Twenty-second (J)

Rejected by the Exhibitors' group, who are unwilling to have the burden of the enforcement of this provision placed on the Exhibitors. The Exhibitor has no means of knowing whether the Distributor has the right to accept contracts on behalf of the producer or owner of the picture or whether he has consulted the producer before fixing his approval on the contract. We feel this clause is in conflict [fol. 1053] with Clause One.

Distributors—Additional Approval by Producers

The Distributors, because of the reasons stated by the Exhibitors, withdraw the clause proposed for additional approval by producers.

Distributors' Proposal for an Added Clause (K)

The Distributor's right to approve or reject this application and/or any other application signed by the Exhibitor (whether executed concurrently with this application or otherwise) is not dependent upon the approval and/or rejection by the Distributor of such other application and/or this application.

Agreed to: —— ——, Exhibitor.

(NOTE.—This clause may be added to the schedule of the Standard Exhibition Contract only in respect of photoplays produced by a producer not controlled by the distributor, and only if the distributor's contract with such producer provides that such pictures shall be sold separately and apart from other pictures distributed by the distributor, and shall be of no effect unless specifically agreed to in writing by the Exhibitor.)

[fol. 1054] Exhibitors' Reply to Distributors' Proposal for Added Clause, the Distributors' Right to Approve or Reject, Etc. (K)

The Exhibitors unanimously accept the principle of the added clause, but unanimously reject the clause because of the conviction that this clause should be phrased so that the average American citizen can understand it.

Distributors' Right to Approve or Reject

The Distributors will attempt to clarify the proposed clause providing for separate approvals so that the average American citizen can understand it.

Distributors' Proposal for Addition to the Rules (L)

1. In any controversy where a Distributor shall be held liable for non-delivery of a positive print of any feature photoplay, pursuant to Article Eighth of the Standard Exhibition Contract, the Board of Arbitration shall award to the Exhibitor as damages and compensation therefor (for each day or part thereof that any such print should have been but was not so delivered) a net amount computed as follows:

From the total of the average daily gross receipts of the Exhibitor's theatre (computed for the period of thirty operating days immediately prior to such date of non-delivery) and the amount paid by the Exhibitor for film rental for any substituted feature photoplay, there shall be made [fol. 1055] a deduction of both the actual gross receipts of such theatre for such day and the amount payable by the Exhibitor for such undelivered feature photoplay. To such net amount there may be added an amount to reimburse the Exhibitor for additional advertising, if any, expended by the Distributor.

Exhibitor's Reply to Distributors' Proposals to the Rules on Arbitration

It is the unanimous decision of the Exhibitor group that they heartily endorse the principle of arbitration and its use in the industry, but feel that any attempt to right rules for arbitration until the contract and its provisions are agreed upon would be a useless waste of valuable time because of the certainty that with contemplated changes in the contract would of necessity come changes in said rules.

Distributors' Proposal for Addition to the Rules (L. L.)

3. The amount of damages which the Board of Arbitrators shall award for "bicycling," "switching" or any other unauthorized exhibition of a photoplay sall be determined

and limited as provided in Section 25 of the Copyright Law of the United States.

Distributors' Proposal for Addition to the Rules (M)

2. In any controversy where a distributor shall be held liable for violation of any run or protection provision con-
[fol. 1056] tained in any Standard Exhibition contract in respect of any photoplay the Board shall award to the exhibitor as damages and compensation therefor an amount equal to a proportionate part of the license fee payable in respect of such photoplay computed as follows:

(1) The right to exhibit such photoplay shall be deemed to represent fifty per cent (50%) of such license fee.

(2) Of the remaining fifty per cent (50%) of such license fee the run granted shall be deemed to represent sixty per cent (60%) thereof, and the protection period shall be deemed to represent the remaining forty per cent (40%) thereof.

In case the Board of Arbitration shall find that such violation was intentional or willful, the Board may in its discretion award treble damages computed as above.

Nothing herein contained shall be deemed to prevent the Board of Arbitration from making an award restraining any threatened violation of any such run or protection provision.

Distributors' Proposal for Addition to the Rules (N)

The members of the Board of Arbitration shall at each meeting thereof designate from among their number a chairman whose duty and authority as chairman shall be strictly limited to maintaining order to the end that all proceedings before the Board of Arbitration shall be conducted speedily and with decorum.

[fol. 1057] Distributors' Proposal for Addition to the Rules (O)

4. In case either party to a controversy referred to the Board of Arbitration shall demand a hearing thereon in less than five days for reasons deemed by the Board of Arbi-

tration sufficient, the notice provided for in paragraphs 2 and 3 hereof may be dispensed with and in such case twenty-four hours' written notice of the time and place of the hearing shall be given to the parties to the controversy, the local exhibitors association, and the members of the Board of Arbitration.

Distributors' Proposal for Addition to the Rules (P)

4. In case either party to a dispute or a controversy arising under a Standard Exhibition Contract submitted to the Board of Arbitration shall claim that a right or liability, under the same or another Standard Exhibition Contract, exists or may exist (because of the facts involved in such controversy) against or in favor of some other party, not then a party to the controversy but a party to a Standard Exhibition Contract with the Distributor a party to such dispute or controversy, the Board of Arbitration on application of either party shall, by written notice to such effect, make such other party a party to the controversy, and an award, if made in favor of or against such other party, may be enforced as provided in these Rules and Regulations.

[fol. 1058] Distributors' Proposal for Addition to the Rules (Q)

7. If either of the parties to a controversy submitted for arbitration fails to appear at the time fixed for the hearing thereof, the default of such party shall be noted. In case of a default in appearance of the complainant, the complaint shall be dismissed, and in case of a default in appearance of the respondent, the Board of Arbitration shall hear the evidence of the complaint and shall make an award to the same effect as if both parties had been present.

The Board of Arbitration may, in its discretion, upon application setting forth reasonable grounds, made within seven days after an award has been rendered open the default of either party upon such terms and conditions as may be deemed just.

Exhibitors

Owing to the obvious sincerity expressed on both sides as to the justice of their position, and in view of the state-

ment made by the Distributor Coamittee, that unless the Exhibitors are willing to recede from their position stated, namely, that they cannot under present conditions approve compulsory arbitration, the Exhibitor members feel and recommend that there is nothing else to do than to leave to a disinterested third party, namely, the seventh arbitrator, the decision as to whether the Exhibitors or Distributors are justified in the stand they have taken on compulsory arbitration and the other points on which neither [fol. 1059] side, after a sincere effort, have come to an agreement on, as provided in the resolution that was responsible for this Committee, and this meeting on the subject of a "Standard Exhibition Contract."

The Exhibitor members at this time wish to express to each and every member of the Distributor and affiliated Exhibitor committee their appreciation of the efforts put forth and their conviction that every statement or stand taken in this conference was one predicated on the sincere belief that their position was entirely justified and to assure the Distributor and Affiliated Exhibitor committee that that same sincerity and honesty of purpose after a careful review of the facts permeated the Exhibitor Committee and alternates and that the fact that this action is necessary should in no way be construed by either side as a reflection on the others' honesty of purpose.

Such being the case, it would seem that the next order of business be the election of a seventh arbitrator, if possible, and a designation if possible of a time for hearing before him consistent with his wishes.

Distributors

While the Distributors' Committee appreciates the fine spirit expressed in the statement of the Exhibitors' Committee, we believe that the Exhibitors' Committee has overlooked the real effect of its proposal if adopted. At the [fol. 1060] Federal Trade Practice Conference held at New York, it was agreed by all branches of the industry that arbitration is a fair trade practice. The adoption of the proposal submitted by the Exhibitors would be a direct repudiation of the resolution mentioned, and we wish to call your attention to this so that in case you have not considered this in your deliberation you will now have the

opportunity to do so, pointing out to you that the question whether or not arbitration in the industry should be at the option of either of the parties cannot under the resolution giving life to the committee itself be submitted to the arbitrator.

The Distributors' Committee cannot recede from its position on arbitration because that would itself be a direct repudiation of the resolution adopted at the Trade Practice Conference and for the further reason that the Exhibitors' proposal that arbitration should be optional in effect is a repudiation of arbitration.

Therefore, the Distributors' Committee earnestly urges the Exhibitors' Committee to reconsider its proposal and withdraw its suggestion, so that the Joint Committee may proceed with a further effort to reach an agreement for the good of all concerned.

February 6, 1928.

Exhibitors

The Exhibitors' Committee withdraw their proposal as originally made for Clause Twentieth.

[fol. 1061] The Exhibitors' Committee concur in the change in the first paragraph as recommended by the Distributors.

The Exhibitors' group recommend the elimination of paragraphs 3, 4, and 5 of Clause Twentieth. The Exhibitors' group do this because of their conviction that in approving paragraphs 1 and 2 of this clause, as amended, they have approved a complete method of arbitration and legal enforcement, and by so doing have carried out the provisions of the resolution as adopted by the Federal Trade Conference.

They are willing and thereby move that the question as to whether additional methods of enforcement are necessary and the definition of such methods of enforcement shall be left to the seventh arbitrator.

Distributors

The Distributors accept the Exhibitors' withdrawal of their original proposal that the contract should not bind the parties to arbitrate, but cannot concur in the Exhibitors' proposal to strike out Paragraphs 3, 4 and 5 of Article

Twentieth because the Exhibitors' proposal virtually amounts to arbitration without enforcement provisions, which would reduce arbitration in this industry to an absurdity. Every proposal presented by the Distributors, and the concurrence by the Distributors in certain proposals submitted by the Exhibitors, has been based on the natural assumption that every clause in the contract would be enforceable after review by a Board of Arbitration.

[fol. 1062] The Distributors, therefore, call the attention of the Exhibitors to the fact that all progress made to date would be nullified by the action now proposed by the Exhibitors, and the Distributors consider it an empty gesture on the part of the Exhibitors' Committee to endorse the principle of arbitration and then make it impossible to practice, because the Distributors believe that the elimination of these paragraphs without replacing them with other adequate provisions for the enforcement of awards would completely nullify the arbitration provisions excepting to the extent that agreements to arbitrate are enforceable in a very few of the States, and in such few States the enforcement of arbitration would necessitate recourse to the Court. This, if we are sincere in our endorsement of arbitration, is exactly what we wish to avoid.

The Distributors appreciate that any disagreement as to what provisions for the enforcement of arbitration shall be incorporated in the contract must be left to the seventh member as well as all other disagreements in respect to other questions not agreed upon, and therefore urge that before proceeding to a discussion of the seventh member, as moved by the Exhibitors, that the Exhibitors propose what provisions for enforcement they believe will adequately secure enforcement.

If, however, the Exhibitors are not prepared at this time to submit adequate substitutes for the paragraphs which [fol. 1063] they have proposed be eliminated, the Distributors recommend that a reasonable adjournment be now taken, pointing out to the Exhibitors that at yesterday's session there was a doubt in the minds of the Exhibitors upon the question of arbitration as a whole and that the Exhibitors thought it advisable to seek counsel as to the interpretation of the Trade Practice Conference resolution appointing the committee.

We call attention to this matter only for the purpose of impressing upon the Exhibitors the gravity of the problem at hand and the necessity of moving slowly and surely and with adequate thought. Yesterday we felt it would be a serious mistake on the part of the Exhibitors to press their recommendation of optional arbitration, and in all good faith and to prevent possible mistake we urged at that time that a recess of a week or more be taken. We now renew that suggestion, realizing the responsibility of all members of this Committee to the industry.

Exhibitors

The Exhibitor group desires to call to the attention of the Distributor group that in the estimation of the Exhibitors the provisions for legal enforcement of arbitration as provided for in their resolution is sufficient and entirely fair to both Exhibitor and Distributor.

Certainly at this time they do not feel that further provision to take care of additional methods of enforcement [fol. 1064] within the industry can be made.

Just as the Distributors feel that all former negotiations and agreements entered into on the balance of the contract are dependent upon, and would be nullified by, the stand taken by the Exhibitors on Clause Twentieth, so also do the Exhibitors feel that enforcement within the industry of arbitration findings is without question dependent upon the complete equity of all of the terms and provisions of the rest of the contract and the rules of arbitration.

While the Exhibitors do not feel that a recess is necessary for them alone, still if the Distributors desire additional time to carefully go over their clauses too, as the Exhibitors will, in an effort to get a clearer picture of just what has been asked on either side and the justice of their claims, we are not in a position to refuse such request nor would feel that we were doing justice to the problem if we assumed such an attitude, and, therefore, the request of the Distributors for a postponement of these deliberations until February 15th at ten o'clock in the Congress Hotel in Chicago is unanimously concurred in.

Mr. Bernstein: Is it the Distributors' Committee idea in case we take a recess and come back here, that we shall go over these clauses in the contract from start to finish

and O. K. the rest of the clauses or reject them, and would like to have you state at this time if those that we did not agree upon, would your Committee be ready to pass on for a final decision to the 7th arbitrator?

[fol. 1065] Distributors' Proposed Amendments to the Rules

Rule I. Second paragraph, third line: strike out the word "three" and substitute the word "one".

Line 14, after the word "Mayor" insert "or chief executive."

Line 18, strike out the words, "President of the Film Board of Trade" and substitute therefor "then President of the American Arbitration Association from among distributors operating theatres in the territory wherein such Board of Arbitration is located who shall not be managers of theatres owned or controlled by producers or distributors."

Rule II. First Paragraph, Seventh Line: strike out the words "or in." Strike out the eighth, ninth, tenth and eleventh lines. Twelfth line, strike out the words "with the exhibitor." At the end of the Rule add the word "or" and add a new paragraph (3): "A contract which contains or incorporated by reference all of the numbered Articles of the Standard Exhibition Contract filed with the American Arbitration Association, identified by the signatures of the Joint Contract Committee on , 1928."

Rule III. Paragraph 2. At the end of the paragraph add "and of the time and place of the hearing."

Rule V. Strike out the Rule, and substitute in place thereof: "These rules and regulations shall not be amended or repealed by the Boards of Arbitration."

[fol. 1066] Continuation of Meeting, Held in the City of Chicago February 15, 16, 17, 18, 19, 20, and 21, 1928

[fol. 1067] Clause One

The Exhibitors propose:

"The Distributor warrants: (a) That there is contained herein all the numbered articles of the Standard Exhi-

bition Contract agreed upon by the Contract Committee appointed at the 1927 Motion Picture Trade Practice Conference (as filed with the American Arbitration Association.)

(b) That any clauses in addition thereto appearing in the space designated for such have been approved by the contract committee.

(c) That clauses appearing on the rider, if any, hereto annexed are hereby warranted to be not inconsistent with this contract (such clause or clauses shall be of no effect however unless signed by both parties hereto.)

It is agreed that the contract committee shall determine any controversy as to whether added clauses to the schedule or rider are in violation of the foregoing."

The Exhibitors withdrew their proposal and agreed to Article One of Distributors' galley proof.

Clause Two (Combined with Three)

The Exhibitors propose:

"The Distributor hereby grants to the exhibitor a license to exhibit under the respective copyrights of the several photoplays designated and described in the schedule, and [fol. 1068] the exhibitor agrees to accept, and exhibit at the theatre or theatres specified, on the date or dates fixed or determined in the manner prescribed, during the year commencing with the date of the first photoplay delivered hereunder or as otherwise provided in the schedule, each of such photoplays. The Exhibitor will not allow any positive print of these productions to leave his possession nor permit its exhibition at any other time or place than is herein specified.

At the expiration of this contract and in lieu of action for damages by the Exhibitor against the Distributor for breach of contract the Exhibitor shall have the right of demanding and receiving at the earliest possible time consistent with prior runs and or protection and at the contract price, any one or more of the photoplays not delivered but said right must be exercised by written notice within thirty days after the expiration of the contract provided that if any production is not released within two years after the

expiration of this contract this contract shall be terminated.

It is understood where this license provides that these photoplays can be played at either one or more theatres an individual production can be played at only one of the theatres named in the schedule."

The Exhibitors withdraw their proposal and agree to Articles Two and Three of Distributors' galley proof.

[fol. 1069] Clauses Four and Five

The Exhibitors agree to Articles Fourth and Fifth of the Distributors' galley proof.

Clause Six

The Exhibitors propose:

"Unless otherwise provided herein the 'protection' period shall start from the last day of exhibition and during the life of this contract the Distributor agrees not to license or exhibit any such photoplays in conflict with the 'run' or 'protection' period if any in the schedule specified and shall be deemed to cover any new theatres or old theatres reopened which are in competition with the above theatre and are opened during the life of this contract."

Upon striking out the word "new" in line 11 of the Distributors' Article Sixth the Article was agreed to.

(Clause Seventh (Combined with 10)

The Exhibitors proposed:

"Delivery of a positive print in good condition by the Distributor to the Exhibitor at the Distributor's Exchange or to a common carrier or to the United States Postal Authorities for mailing or to an agent of the exhibitor, said carrier or agent to be designated by the Exhibitor; in ample time to reach the theatre one hour before the opening of said theatre shall be deemed delivery by the Distributor.

[fol. 1070] As soon as practicable after the last exhibition of this photoplay the exhibitor shall pack said positive print in the container furnished by the Distributor and address it to the Distributor unless otherwise directed; and deliver it to a common carrier or to the United States Postal Authorities for mailing and a receipt obtained thereof, shall constitute return by the exhibitor provided, that if the return is made by a trucking company or other contract carrier of the exhibitor the exhibitor shall be responsible for delivery until it is returned to the Distributor's exchange and a receipt therefore obtained. The Exhibitor agrees to pay all transportation charges both ways or if directed by the Distributor to receive or ship it to or from a subsequent or previous exhibitor charges collect.

If the Exhibitor fails to or delays the return of any positive print to the Distributor or the forwarding if directed to any other exhibitor the Exhibitor shall be liable to the Distributor for any damages due to the above causes as may be determined by Arbitration as provided in Article 20 thereof."

The Exhibitors concur in the clause as submitted by the Distributors with the following changes:

Clarify the misunderstanding as to the intention of the first paragraph.

In the second paragraph: Add after the word "Exhibitor" in the fourth line these words: "designated by the [fol. 1071] Exhibitor."

In the third paragraph, the 14th line on the second page, after the word "arbitration," add "the exhibitor agrees to secure another trucking company or agent capable of rendering reliable and satisfactory service as determined in the manner above provided, failing which the Exhibitor agrees to make all deliveries thereafter only to a carrier designated or used by the Distributor."

With the changes mutually agreed upon, relative to the condition of prints and the time of delivery, the Exhibitors accept the Seventh Clause as suggested in the galley proof, it being understood that this whole set-up is subject to revision from time to time as the two organizations may decide.

The Distributors propose that the first paragraph of Article Seventh be changed to read as follows:

"The Distributor agrees to deliver to the Exhibitor during the period specified in Article Second hereof, or as otherwise in the schedule provided, a positive print suitable for exhibition of each of such photoplays for exhibition at the said theatre on the date specified or on the dates determined as hereinafter provided. Delivery of such positive prints by the Distributor to the Exhibitor at the Distributor's Exchange or to a common carrier or to the United States postal authorities for mailing or to any agent of the Exhibitor shall be deemed delivery by the Distributor to the Exhibitor hereunder. All deliveries other than at the [fol. 1072] Distributor's Exchange shall be made in time to enable the carrier thereof in accordance with the carrier's time schedule to deliver to the Exhibitor or at the place where the Exhibitor's theatre is located prints at least one hour before the usual time for the opening of the Exhibitor's Theatre."

With the changes mutually agreed upon, relative to the condition of prints and the time of delivery, the Exhibitors accept the Seventh Clause as suggested in the galley proof, it being understood that this whole set-up is subject to revision from time to time as the two organizations may decide.

Clause Eighth

The Exhibitors propose:

"Unless otherwise specified in the schedule the exhibition date or dates of each of the photoplays hereon shall be determined as follows:

The Distributor shall mail the Exhibitor 15 days notice of the date upon which each photoplay will be available for exhibition but said notice shall not be effective until a print of the production is received by the exchange.

Within fourteen 14) days after the receipt of such notice the Exhibitor shall select the exhibition date or dates within the four weeks period commencing with such date of availability by written notice to the Distributor.

[fol. 1073] If these dates are not available to the Exhibitor then:

The Exhibitor shall select other dates within said four weeks period. Failing to do this the Distributor, by written notice, shall designate new dates in writing by giving the exhibitor fourteen (14) days notice of such dates but such new dates shall not be earlier than two or later than six weeks from the original dates selected by the Exhibitor.

If the Distributor shall be unable to furnish other dates than those originally selected within four weeks period mentioned above the Exhibitor can designate the dates by giving immediate notice in writing to the Distributor but these dates shall not be earlier than two or later than six weeks from the last day of the said four weeks period. If after having been advised that it was impossible for the Distributor to furnish dates within the four weeks period specified the Exhibitor fails to make an immediate selection of new dates as provided the Distributor shall set the dates not earlier than two nor later than six weeks from the last day of the said four weeks period.

If the Exhibitor fails to select play dates within fourteen days after notice of availability then:

The Distributor shall set the dates by mailing notice in writing to the exhibitor.

If within sixty days after the receipt in the exchange, wherein the Exhibitor is served, of a positive print of any of the photoplays said photoplay has not been shown by the [fol. 1074] exhibitor holding the rights to first showing in the city wherein is located this or other theatres the Distributor shall proceed to set arbitrary dates as provided in this clause, and failing to do so any subsequent exhibitor may at his option eliminate said picture or pictures from the contract.

In case the picture has not been sold, the time instead of sixty days shall be extended to ninety days (90); and if the Distributor has not secured a first run he must either release it to the next run sold or a subsequent exhibitor or exhibitors may cancel said production.

(2) Provided that the Distributor shall have then entered into a contract with any other Exhibitor in which contract is specified a run of any of the photoplays prior in point of time and immediately proceeding the run (specified in

the schedule) granted the Exhibitor and provided further that such photoplay shall have been exhibited by such other exhibitor the Distributor shall in the manner specified in subdivision one of this paragraph c designation the exhibition date or dates of such photoplay within the period of 45 days commencing with the date of availability specified in the notice provided for in paragraph A of this article.

(d) In case the exhibition date or dates of any of the photoplays shall be designated by the Distributor pursuant to paragraph C of this article the period of protection if any specified in the schedule shall begin upon the day after the expiration of the four weeks period specified in paragraph B of this article.

[fol. 1075] In case this contract embraces a series of photoplays and featuring a particular star or director, the Exhibitor shall not hereunder exhibit more than one photoplay of such series every five weeks."

The Distributors agree to the Exhibitors' proposal that a notice of availability shall be of no effect unless prints of the pictures are in the exchange; and propose that in the paragraph in italics (after paragraph B) in the 13th line after the word "the" the word "fifteenth" be inserted and the words "after the expiration" be stricken out.

The Exhibitor group approve the suggestions as contained in the Distributors' proposals for this clause and withdraw their proposal relative to pictures unsold.

They agree to the ninety-day provision as provided in the clause by the Distributors with the proviso, however, that it be made automatic. We have agreed on in principle that the mention of the availability proposition be incorporated in the contract and also agreed to the inclusion of the clause which we said was superfluous.

The Distributors cannot concur in the Exhibitors' proposal in respect to automatic notice.

The Exhibitors withdraw their original proposal in respect to forcing first runs to play and suggest that paragraph 5 of the Distributors galley sheet be stricken out.

The Distributors concur in the Exhibitors suggestion and Eighth of the Distributors' galley as changed is agreed to.

[fol. 1076] Clause Ninth

The Exhibitors propose:

"The Exhibitor shall pay to the Distributor the replacement cost for each linear foot of a positive print lost, stolen or destroyed or injured in any way while in the possession of the Exhibitor due to negligence on the part of the Exhibitor in full settlement of all claims for such loss, theft, destruction or injury such payment shall not however transfer title to or interest in such *psotive* print to the exhibitor or any other party. However, if after having paid for such positive print, said print is recovered (excepting news reels) within sixty (60) days the Distributor shall repay or credit, at the option of the exhibitor, all sums paid for such above mentioned prints.

In case a positive print is received by the Exhibitor in a damaged or partially destroyed condition the exhibitor shall prior to the second public exhibition thereof, notify the exchange by collect telegram, setting forth the nature of the damage.

In case of a positive print being stolen or destroyed the exhibitor shall immediately notify the Distributor by telegraph." With the striking out of the phrase in parenthesis in respect to lab-ratory invoice the Ninth Article of the Distributors galley proof is agreed to.

Clause Tenth

The Exhibitors propose:

"It is hereby agreed that the photoplays contracted for hereunder must be identified by a specific designation of star, or director, or author or book or play or by adequate description of the story.

[fol. 1077] "In case of a substitution by a producer or Distributor of any photoplay contracted for hereunder as a photoplay of a specified star, or a specified director, or as based on a specified story, book or play of any photoplay in which such specified star does not appear or which has not been directed by such specified director or which is not based upon such specified story book or play as the case may be, unless with the consent of the Exhibitor the Ex-

hibitor shall have the option to refuse or accept such photoplay. However, this clause not be construed to prevent the producer or distributor from making such alterations, changes or adaptations of any story book or play as may be necessary for the purpose of producing a motion picture therefrom.

"It is agreed that any photoplay that is a reissue from old negatives or old negatives renamed must be so marked in the schedule and not sold with new photoplays."

The Exhibitor withdraw their clause and agree to Article Tenth of the Distributors' galley proof.

Clause Eleventh

The Exhibitors propose:

"This contract may be assigned by either party, but no assignment shall relieve the assignor of liability thereunder unless such assignment is consented to in writing by the other party hereto."

The Exhibitors withdraw their proposal and agree to Article Eleventh of the Distributors Galley Proof with the typographical corrections indicated.

[fol. 1078] Clause Twelfth

The Exhibitors propose:

"Unless this contract provides for 'first run' in the City or Town or Zone wherein the theatre is located the Exhibitor agrees not to advertise any of the photoplays herein provided for by means of lithographs, slides, trailers, lobby displays or newspaper announcements prior to or until the completion of previous run. Provided that nothing in this paragraph shall be interpreted to prohibit the advertising of any such photoplay by any exhibitor for a period of fourteen days prior to his showing.

"The Exhibitor agrees to run photoplays as delivered without alteration (news reels excepted) excepting with the written or telegraphic consent of the Distributor, subject to the requirement of public authorities necessitating such change."

The Exhibitors withdraw their proposal and agree to Article Twelfth of the Distributors' galley proof provided that "news reels" be excepted from the provision of the first paragraph.

Clause Thirteenth

The Exhibitors propose:

"The Distributor warrants that the photoplays herein provided for will not contain any advertising matter. In case of an alleged violation if in the opinion of the Arbitration Board advertising is included in the production and if said advertising cannot be eliminated because of the fact that it would disconnect the continuity then and in that case [fol. 1079] the Exhibitor shall be given the option to accept or reject that production or the Arbitration Board may in its discretion award the Exhibitor damages."

The Exhibitors withdraw their proposal and agree to Article Thirteenth in the Distributors' galley proof.

Clause Fourteenth

The Exhibitors propose that there be added the following:

"The parties to this contract agree that the stability of the motion picture industry as well as the economy and efficiency of the distribution and exhibitions of photoplays depend upon uniformity of the contract and especially upon arbitration of disputes between Exhibitors and Distributors and even Producers and to the end that such results may be obtained there is hereby created a fund for the necessary expenses of the associations of the respective parties hereto. Said fund is to be created in the manner following to wit:

"An amount equal to one percentum of the sums paid under this contract shall be deducted therefrom and paid by the Distributor quarterly, one half of said sum so deducted to the association of the part- of the first part now known as the Motion Picture Producers and Distributors of America Inc. and one half of said sum so deducted to the association of the second part now known as the Motion

Picture Theatre Owners of America and the association of the second part in accepting said sum agrees to remit to the respective state organizations of theatre owners two thirds of the amounts received quarterly, to be divided ac- [fol. 1080] cording to the quota as now or hereafter may exist and on which film is sold for that state. This provision shall continue for a period of five years."

The Distributor Committee, while fully appreciating the necessity of a proper financing of the cost of arbitration, feels that it cannot, without a careful canvass of the situation, undertake to commit itself at this time to the plan proposed by the Exhibitors, which includes the financing of a national exhibitors organization and a national distributors organization and local state exhibitors organizations. In the short time which we have had to discuss the matter among ourselves we have worked out a tentative suggestion which we would like to have the Exhibitors consider with all possible care. The suggestion embodies the following ideas to cover the cost of administration of the Boards of Arbitration and the expense that the Exhibitor representatives on such Boards would be put to by serving.

First. That a fee be fixed for filing each complaint by the Distributors, but no fee be required for filing a complaint by an Exhibitor.

Second. That from the fees so paid the cost of administration of the Boards of Arbitration and the expenses of the arbitrators be paid.

Third. That if an award is made in favor of an Exhibitor an amount to be fixed in the rules is to be added to the award, which amount is to be payable to the fund for administration of the Boards of Arbitration; that if the award is made in favor of a Distributor, a like fixed amount plus the amount of the filing fee paid by the Distributor is to be [fol. 1081] added to the award; the fixed amount to be payable to the fund, the filing fee to be returned to the Distributor.

Fourth. A budget for the cost of administration, including an allowance and railroad expenses to the Exhibitor representatives of the Boards of Arbitration, be worked out by the Joint Committee.

The Distributor Committee does not feel that either this suggestion or the proposal made by the Exhibitors has any rightful place in the contract itself, but the Distributors' suggestion can be embodied in the rules of arbitration.

This whole matter is so different from anything the Distributors' Committee came prepared to act upon and is so experimental that we would want to move with the greatest care so that all parties affected by such proposed change, whether Distributors or Exhibitors, can consult the interests they represent. This, we believe, could be done at a reasonably early date and then arrangemnts could be made whereby the Distributors and the Exhibitors could together work out a plan which could be made as an amendment to the rules of arbitration. We do not believe this matter should block the present action on the finishing of the contract and the rules.

In failing to concur with the Distributors suggestion in answer to the Exhibitors proposal on Clause 14 the Exhibitor group feel that the Distributors possibly have failed to grasp the importance and sincerity of the Exhibitor's proposal to its fullest extent.

In providing in the contract a method of maintaining organizations we are attempting to first insure the future of arbitration and more important problems that are and will [fol. 1082] always be present. Both we feel are common problems.

As far as Arbitration is concerned it is but a part. Arbitrators of the type necessary cannot be secured with money. These men must have, in addition to inherent ability and honesty of purpose the interest of the industry at heart, men in touch with the problems that present themselves constantly, men who have an interest in exhibitor problems and who have as a background an organization in which they have confidence and to which they feel a sense of proper responsibility.

Without such an organization they are without a source of birth. The Distributors have seen this and have taken care of the situation partially by the organization of the Film Boards of Trade. Thru this method they have improved the Distributor plan of arbitration materially. Yet this expense is indirectly born- by the entire industry.

Men of this type care for little more than necessary expenses to carry on this work and are not interested in any

attempt to buy their services or a plan to cover such petty expenses. They will serve as a matter of responsibility to the organization they are selected from feeling that thru organization they can assist in the elimination from the industry unfair elements or guide in the right direction, others who haven't such a wide vision.

But the situation cannot stop here. There are other duties that both exhibitor and distributor owe to each other that must be carried on if the contractual relations are to be harmonious. Any injury to either indirectly injures the other. Whether individuals approve or disapprove the inclusion in the contract of a provision to prevent this is not important for we are face to face with a broad principle and the industry cannot be injured or retarded by the convictions of a few.

[fol. 1083] Efficient organizations on both sides spells of thoughtful arbitration. Lack of organization makes this almost impossible.

Efficient organization, properly manned means reduction of overhead expense in doing the very things that are now and have been facing us. It is a deplorable situation to know, as has been stated here that lack of organization on one side is shifting an undue burden on another branch of the industry and force the expenditure of large sums of money and personal effort to gain for the industry only that which is deserving and when balance organization means less of this expense which must be absorbed or passed on.

The Exhibitor group respectfully recommend that the Distributor appreciate the sincerity of this proposal and reconsider this partial suggested solution consult with whom you desire, but finally arrive at a definite conclusion on the matter.

The Exhibitor group have taken into consideration the Distributors' statement that they do not desire to assume responsibility for the collection of the money the Exhibitor group feels is necessary to guarantee the successful continuance of arbitration and other activities of benefit to the entire industry and therefore suggest that this matter be left to a seventh arbitrator. If a satisfactory solution shall have been reached before the time fixed for the hearing, the matter can be withdrawn.

The Exhibitor group are reluctant to take the responsibility of pledging that the Exhibitor will pay taxes levied against the Distributor without first consulting with Exhibitor leaders and suggest that this matter too can be left to the seventh arbitrator with the same provision that if the decision of those whom we represent is favorable this matter can be and probably will be withdrawn.

[fol. 1084] The Exhibitors' proposal to add to Clause Fourteenth a provision to the effect that from the rentals derived by the Distributors from the licensing of their pictures the Distributors should deduct a sum equal to one per cent thereof to be paid into a fund, half of which should become the property of a national exhibitors' organization and of all of the exhibitor state organizations throughout the United States is one which in the opinion of the Distributors cannot properly be made a part of the Standard Exhibition Contract by reason of the subject matter of the proposal, which is beyond the scope and province of the Joint Committee. This is borne out by the resolution which appointed the Joint Committee, to "institute a study of the provisions of such Standard Exhibition Contract and the rules for the arbitration provided for therein and develop improvements in such contract and in such rules for arbitration and develop for the further operation of arbitration."

When the exhibitors first submitted their proposal, the only part which the Distributors could consider seriously was that pertaining to arbitration and its support. Recognizing that provision for meeting the expense of arbitration provided for in the contract may be properly included in the rules of arbitration, the Distributors renew their suggestion to cover the cost of the administration of the boards of arbitration and the expense that the exhibitor representatives of such boards would be put to by serving, made in response to the Exhibitors' original proposal.

We further desire to point out to the Exhibitors that in our opinion their proposal would result in forcing all distributors into the position of at least indirectly coercing exhibitors not members of any national or state exhibitor organizations to pay many millions of dollars for the sup-

[fol. 1085] port of such organizations and a Distributor organization.

For these reasons the Distributors urge the Exhibitors' Committee to reconsider their proposal and withdraw it so that the Joint Committee may proceed to consider all other open questions.

The Exhibitor group withdraw their objection to Clause 14.

The Exhibitor group withdraw their suggested addition to the Contract relative to financing arbitration and other necessary activities.

The Exhibitor group approve the present Arbitration clause now known as Clause Twentieth, with the understanding that an immediate effort will be made to provide ways and means to insure the future of arbitration and other necessary activities of benefit to the entire industry through a plan of adequately financing exhibitor organizations.

We feel that the present plan of having the Distributors, through the Film Boards of Trade, organized and many States with inadequate Exhibitor organizations does not tend toward equity in arbitration.

If prior to June 1st no such plan is agreed upon, this Continuing Committee on the Contract will again meet, at a place to be designated later (to make whatever amendments, eliminations or additions to the Contract they or the Distributors, after a more careful study of the situations, deem necessary), and *specifically to discuss a more equitable method of arbitration in the absence of a plan to provide the help necessary to carry on arbitration and other necessary activities*, and that such meeting or meetings shall be carried on in the manner prescribed by the resolution that makes such a meeting or meetings possible.

[fol. 1086] Clause Fifteenth

The Distributors propose:

"The Distributor warrants and agrees that none of the pictures named in the schedule shall be licensed for exhibition to the public within a radius of fifty miles of the above named theatre in any other place than a regularly constituted commercial theatre charging an admission fee. Nothing herein shall be construed as prohibiting the licensing of a photoplay in any town or community that is not being served by a regularly established theatre.

"The Exhibitor agrees that during the period each of the photoplays herein provided for shall be exhibited in said theatre the Exhibitor will charge for admission to said theatre an actual admission fee which shall not be less than ten cents, unless a greater minimum admission charge is specified, for each exhibition and that such photoplays shall not be exhibited unless such admission fee is charged.

"Upon complaint being made of the violation of either of these clauses the Arbitration Board may cancel this contract or any other contract between the parties hereto, or may award damages to the injured party, in its discretion."

The adoption in the Standard Form of Exhibition Contract of the first paragraph of the clause proposed by the Exhibitors would exclude schools, churches, civic organizations and other similar institutions now equipped to exhibit motion pictures from the right to acquire them Therefore, the Exhibitors' proposal raises the same ques- [fol. 1087] tions of the legality of this clause that was presented when the Exhibitors offered their proposal at the last session of the Committee. It is evident that the proposal made by the Exhibitors has not solved the difficulty raised by the question of the legality of their proposal, nor have the Distributors, after considerable study since the last adjournment of the meeting of the Committee, been able to do so. Therefore, the Ditsributors propose that to avoid possible trouble for Distributors and Exhibitors, the Exhibitors' proposal be submitted to the Department of Justice for opinion. Pending the receipt of such an opinion the Distributors suggest that the deliberations as to the contract proceed to a conclusion, with the understanding that if favorable to the Exhibitors' proposal it be again submitted to the Committee and then disposed of.

The Exhibitors withdraw their proposal and agree to the Article in the Distributors' galley proof, upon the understanding that the legal questions raised by the Distributors will be submitted to the Department of Justice.

Clause Sixteenth

The Exhibitors propose:

"In case performance by the Exhibitors is rendered impossible due to causes beyond the control of the Exhibitor

said performance shall be excused and this contract shall be terminated. Notice in writing shall be given however as soon as such causes arise.

"In the event the performance of this contract by the Exhibitor is delayed by causes beyond the control of the Exhibitor then the time for performance shall be extended for a period equal to the time of such delay. Resumption [fol. 1088] of performance shall begin promptly after the removal or abatement of the causes of such delay provided that if after the contingency arises it is apparent that said delay will continue for a longer period than three months (3) either party may terminate this contract by giving ten days written notice to the other.

"In the event the performance of this contract by the Distributor is rendered impossible (except as to time) by causes beyond the control of the Distributor said failure to perform shall be excused and said contract shall be terminated. Notice in writing shall be given in this event.

"If the Distributor is delayed in the performance of this contract by reason of causes beyond the control of the Distributor, then the time for performance shall be extended for a period equal to the time of such delay provided that if said delay continues beyond the life of this contract the exhibitor shall have the rights as specified in Clause Two (2) of this contract. Resumption of performance by the Distributor shall begin promptly after the removal or abatement of such delay."

With the additions suggested by the Distributors the Exhibitors withdraw their proposal and agree to Article Sixteenth of the Distributors' galley proof.

The Exhibitors agree to *Article Seventeenth* of the Distributors' galley proof.

The Exhibitors agree to *Article Eighteenth* of the Distributors' galley proof.

The Exhibitors agree to *Article Nineteenth* of the Distributors' galley proof.

[fol. 1089] Clause Twenty

The Exhibitors propose:

"For the purpose of this clause only it is agreed that all applications signed by the Exhibitor at the same time

shall be considered as one application and shall be accepted or rejected as a unit by the Distributor unless as waiver is endorsed on such application and such endorsement signed by the Exhibitor.

"This instrument shall be deemed an application for license under copyright and only unless otherwise specified in the schedule this application shall be deemed to be for the first showing or run in the particular zone or territory or city in which the theatre above named is located, and shall not become binding until accepted in writing without alteration or change by an officer of or any person duly authorized by the Distributor and notice of acceptance sent to the Exhibitor as herein provided. The deposit by the Distributor of any check or other consideration given by the Exhibitor at the time of application as payment on account of any sums payable hereunder shall not be deemed an acceptance hereof by the Distributor.

"Unless notice of acceptance of this application by the Distributor is sent to the Exhibitor by registered mail or telegraph within the number of days after the date thereof hereinunder specified (immediately following the name of the city wherein is situated the Exchange of the Distributor from which the Exhibitor is served, or if such city is not hereinafter named then within the number of days specified immediately following the city hereinafter named nearest thereto) said application shall be deemed withdrawn [fol. 1090] and the Distributor shall forthwith return any sums paid on account thereof by the Exhibitor. Albany 10, Atlanta 20, Boston 10, Buffalo 10, Charleston 15, Charlotte 15, Chicago 15, Cincinnati 20, Cleveland 15, Dallas 30, Denver 20, Des Moines 15, Detroit 15, El Paso 25, Indianapolis 15, Jacksonville 15, Kansas City 15, Los Angeles 25, Little Rock 15, Louisville 15, Memphis 20, Milwaukee 15, Northern New Jersey 7, Minneapolis 20, Butte 20, New Haven 10, New Orleans 15, New York City 7, Oklahoma City 20, Omaha 20, Peoria 15, Philadelphia 10, Pittsburgh 14, Portland, Ore. 30, St. Louis 15, Salt Lake City 30, San Francisco 20, Seattle 30, Washington, D. C. 14.

"A copy of this application signed by the Exhibitor shall be left with the Exhibitor at the time of signing and in the event of acceptance thereof as above produced a duplicate

copy, signed by the Distributor shall be forwarded to the Exhibitor."

The Exhibitors withdraw their proposal and agree to Article Twentieth of the Distributors' galley proof.

Clause Twenty-first

With the change in the time for the Exhibitors to give notice to the Distributors, the Exhibitors agree to Article Twenty First of the Distributors' galley proof.

Clause Twenty-Second

With the change in the time for the Exhibitors to give notice to the Distributors the Exhibitors agree to Article Twenty Second of the Distributors' galley proof.

[fol. 1091] The Exhibitors agree to the redraft of the Statement at the end of the contract submitted by the Distributors to take the place of the statement in the Distributors' galley proof.

The Exhibitors agree with approved Clauses in the Distributors' galley numbered 1, 2, 4 and 5.

Added Clause Numbered 3

The Exhibitors propose:

"The Distributor shall have the right to road show, prior to the exhibition thereof hereunder, such of the photoplays herein licensed (not to exceed four) as the Distributor may from time to time select by giving written notice to the Exhibitor of such intention provided that each such photoplay so selected shall be road shown only in theatres to which an admission charge of not less than one dollar and fifty cents for a majority of the orchestra seats shall be made during the exhibition thereof at evening performances; and further that the Exhibitor shall have the right to eliminate from any contract with the Distributor one photoplay for each photoplay withdrawn for road show purposes, by mailing notice to the Distributor not later than fourteen days before play date of such photoplay. As to each photoplay so road shown the license herein granted and the run and/or protection of any specified in the sched-

ule shall be subject and subordinate to all such road show exhibition and the Exhibitor agrees not to advertise or make public announcement that any such photoplays are to be exhibited hereunder until the Distributor shall notify the [fols. 1092-1094] Exhibitor in writing that such photoplay is available for exhibition hereunder."

The Exhibitors withdraw their proposal. The Distributors withdraw their Clause 3 in the galley proof.

The Exhibitors and Distributors agree upon the substituted road show clause.

Exhibitors Added Clause

The Exhibitors propose:

"The parties hereto agree that it shall be considered an unfair trade practice for a distributor to take an application for contract from an Exhibitor after the Distributor has solicited and received an application for contract for the same productions from a competing Exhibitor while the first application for contract is pending. In case of the violation of this clause the Arbitration Board may cancel such contract or may reduce the contract price of the approved application to the amount named in the prior application."

The Exhibitors withdraw their proposal for an additional clause and accept the amendment to the Direction to Salesman proposed by the Distributors.

Rules of Arbitration

With the changes in Rule II, Rule III and Rule IV of the Rules of Arbitration and the eliminations from and changes in Rule V the Exhibitors agree to the Rules as set forth in Distributors' galley proof.

[fol. 1095] Copy

DEFENDANT'S EXHIBIT O-1

Film Boards of Trade, 469 Fifth Avenue, New York.

Subject: ——.

December 8, 1927.

To all secretaries of all film boards of trade:

Under separate cover we are sending you a supply of booklets containing "Recommendations to Arbitrators Appointed under the Rules and Regulations Relating to Arbitration in the Motion Picture Industry based upon the Suggestions of the American Arbitration Association for the Guidance of Arbitrators," which please distribute among your members and exhibitor representatives upon the Board of Arbitration.

Sincerely Yours, (Sgd.) Gabriel L. Hess, Gabriel L. Hess, General Attorney.

d. r

[fol. 1096] EXHIBIT P-1

Recommendations to Arbitrators Appointed under the Rules and Regulations Relating to Arbitration in the Motion Picture Industry Based Upon the Suggestions of the American Arbitration Association for the Guidance of Arbitrators

[fol. 1097] Arbitration

In the matter of American Eagle Fire Insurance Co., et al., vs. New Jersey Insurance Co., 240 N. Y. 398, 148 N. E. 562, Mr. Justice Pound (Judge of the Court of Appeals of the State of New York), stated:

"* * * the practice of arbitrators of conducting themselves as champions of their nominators is to be condemned as contrary to the purpose of arbitration and as calculated to bring the system of enforced arbitrations into disrepute. An arbitrator acts in a quasi-judicial capacity and should possess the judicial qualifications of fairness to both parties so that he may render a faithful, honest and disinterested opinion. He is not an advocate whose function is to convince the umpire or third arbitrator. He should

keep his own counsel and not run to his nominator for advice when he sees that he may be in the minority. When once he enters into an arbitration he ceases to act as the agent of the party who appoints him. He must lay aside all bias and approach the case with a mind open to conviction and without regard to his previously formed opinions as to the merits of the party or the cause. He should sedulously refrain from any conduct which might justify even the inference that either party is the special recipient of his solicitude or favor. * * * Although a known interest does not disqualify and the parties may not complain merely because the arbitrators named were known to be chosen with a view to a particular relationship to their nominator or to the subject matter of the controversy, they are entitled to expect that arbitrators thus chosen will proceed with indifference and impartiality. * * *"

[fol. 1098] The Office of Arbitrator

1. Arbitrators are persons designated by the parties (or in accordance with a procedure upon which they have agreed) to decide a controversy or difference which has arisen between them.

2. The authority of the arbitrators is derived from and limited by the Rules and Regulations Relating to Arbitration which are referred to in, and by such reference made a part of the Standard Exhibition Contract. They are not bound by the technical rules of evidence, but they are without power or authority to adopt or apply any rule which shall be at variance with any of the provisions of the Standard Exhibition Contract, or any other contract between the parties or the rights and obligations of the parties thereunder. In arriving at his conclusions, an Arbitrator should bear in mind that his responsibility is as great as that of a judge sitting in a court of law on a similar case; he should be actuated by similar principles of justice and rules of conduct.

3. Arbitrators must be impartial. They cannot be impartial before or during the arbitration whenever

(a) They have any interest in the outcome of the controversy.

(b) They have any private agreements with either party respecting the subject matter in controversy.

(c) They have any bias or prejudice in favor of or against either of the parties.

[fol. 1099] If the impartiality of the arbitrators is open to challenge on any of the above grounds, they should

(a) Withdraw when the interest is disclosed. If the parties waive the above grounds of objection, the arbitrators may continue to act.

Failure of the Arbitrators to disclose any interest or bias, as above defined, may cause a court to set aside the award.

4. Arbitrators should avoid:

(a) Acting as conciliators. Their duties are not to seek a compromise but to reach a fair decision and to make a just award.

(b) Acting as an advocate or agent of either party. Their duties are not to argue or defend the case but to hear and decide solely on the basis of the evidence submitted.

(c) Acting as umpires. Their duties are to participate fully in the arbitration from the beginning without waiting until a difference arises between the other arbitrators.

(d) Delegating their duties or authority to others. Each Arbitrator is personally responsible and is obligated to perform the duties of his office.

(e) Appearing to have a bias. Arbitrators should not express opinions or views concerning the parties or the [fol. 1100] controversy until the award is made.

Duties Before the Hearing

5. The arbitrators must read and be thoroughly familiar with the Standard Exhibition Contract, the Rules and Regulations Relating to Arbitration, and the Complaint and Answer, if any, of the parties.

(a) The Standard Exhibition Contract

The arbitrators' power and authority are derived from and limited by the Standard Exhibition Contract and the Rules and Regulations Relating to Arbitration. They must therefore observe all the terms and conditions set forth therein.

(b) The Complaint and Answer

The Arbitrators must decide all matters in issue, and should not take into consideration any matter not therein specified.

(c) Rules and Regulations Relating to Arbitration

The conduct of the arbitrators is governed by the Rules and Regulations Relating to Arbitration. If these Rules and Regulations are not faithfully observed throughout the whole proceeding the arbitrators are not acting in accordance therewith, and their award may be vacated.

Duties Pertaining to the Hearing

6. Arbitrators should create and maintain an atmosphere free from animosity. Parties and witnesses should [fol. 1101] be allowed to make their statements in their own way without too frequent interruptions.

The Arbitrators should so conduct a hearing as not to prejudice the interests of either party. They should not receive private communications from either party without acquainting the other party with their contents. Each party should be accorded an equal opportunity to present his case.

7. The Arbitrators should remember to:

(a) Decide whether witnesses shall be sworn. If witnesses are to be sworn the following form should be used:

"Do you solemnly swear that in the dispute between —— and —— you will tell the truth, the whole truth and nothing but the truth so help you God?"

(b) Hear, in the presence of all Arbitrators, first the complaining party and then the defending party. The Arbitrator should permit the parties to question each other and should then examine the parties and witnesses himself if he so desires.

(c) Permit, in his discretion, the parties to sum up their case by argument.

(d) Adjourn the hearings to a future date if the case is incomplete or if further evidence is necessary. Take all [fol. 1102] possible steps to avoid unnecessary delays.

(e) Take notes during the proceedings to facilitate questioning the parties after they have completed the case, or to marshal the facts for use in arriving at an award.

(f) Close the case by asking whether there is any further evidence; if no evidence is offered, take a final adjournment.

(g) Confer immediately with the other Arbitrators to arrive at a decision.

8. The Arbitrators are cautioned to:

(a) Refuse to listen to any evidence unless both parties and all arbitrators are present.

(b) Refuse to consider any communication from either party unless the other party has seen it.

(c) Refuse to admit evidence which is clearly immaterial and irrelevant and the introduction of which would delay the proceedings.

(d) Postpone only for proper causes a hearing already set.

(e) Avoid giving any appearance of having reached a conclusion before the award is rendered.

The Award

9. An award is a properly executed decision of a majority of the Arbitrators. There can be only one award, for [fol. 1103] by making the award the Arbitrators terminate their authority. Accordingly, the Arbitrators should never draw an award which:

(a) Contemplates further hearing or future action of any kind.

(b) Reserves to the Arbitrators further powers.

10. An award must be in accordance with the Submission, as required by law:

(a) It should not decide any matter not submitted.

(b) It must provide a complete adjudication of every matter submitted by the parties.

11. An award should be certain in its terms and simple in its language. It should state in clear and simple English the findings of the Arbitrators. Technical expressions of law should be avoided. The language should leave no doubt concerning the intentions of the Arbitrators, and the decision should not refer to any extrinsic instruments without which the award would be incomplete. The award should be so phrased as to be possible of performance at the time the award is made, and should be certain concerning the terms of such performance and the amounts awarded.

12. The Arbitrators are not required to state the reasons for the conclusions reached but may do so if they see fit. The Arbitrators may incorporate their reasons in an opinion supplementary to the award.

[fol. 1104] 13. The duties of the Arbitrators end when the award is put in writing.

14. For certain causes against which the Arbitrators should guard, the award may be set aside. Throughout the case the Arbitrators should keep in mind that the award may be set aside, for any of the following reasons:

(a) Corruption on the part of the Arbitrators.

(b) Fraud.

(c) Evident partiality on the part of the Arbitrators.

(d) Exceeding of authority by the Arbitrators.

(e) Refusal by the Arbitrators to postpone or adjourn any hearing for sufficient cause shown.

(f) Refusal by the Arbitrators to hear evidence which is pertinent and material to the controversy.

(g) Misconduct or misbehavior by the Arbitrators which prejudices the rights of the parties.

(h) Imperfect execution by the Arbitrators of their powers in making "a final and definite award."

[fol. 1105] DEFENDANTS' EXHIBIT Q-1

Copy

Minneapolis Film Board of Trade, Inc., 704 Film Exchange Building, Minneapolis, Minn.

November 3, 1927.

Mr. Gabriel L. Hess, 469 Fifth Avenue, New York, New York.

DEAR MR. HESS: I am enclosing herewith your circular letter dated November 1, 1927, on which I have answered the questions you asked. Our next Film Board meeting is next Monday, November 7, 1927.

The Department of Justice representatives from Washington, D. C., are here and are going over all of Mr. Wiggins' old files as well as mine. They have been here since last Saturday. I have explained to them that Mr. Wiggins' manner of operating the office was not in accordance with my methods and that I cannot be held responsible for any errors he might have committed.

There are several matters concerning arbitration which are not quite clear to me. Universal had a 100 week contract with an exhibitor and Mr. Al Steffes brought up the point of Clause Two in the Standard Exhibition Contract which states the license for exhibition by the Exhibitor is granted "during the year commencing with the date fixed," etc. Although this point was not at issue with the Arbitration Board, it will no doubt be disputed at a later date since Mr. Steffes has mentioned it. Is this license clause to be interpreted as extending each contract over a period of not more than fifty-two weeks?

On the question of Clause Two Mr. Steffes brought up another point which relates to the enforcement of awards. Should an award granted against a man in one theatre be forced against him at another theatre he owns? The license clause states that permission to exhibit the pictures under contract is "for the exhibition in the above named theatre." I believe that some Boards are holding up service on a

group of theatres when an award has been granted against one. I may be wrong in this statement since I am basing it only on information from managers who have come from other territories.

Another point on enforcement of arbitration awards is not clear to me. If a man has an award against his theatre, closes it and opens a new theatre either in the same town or in another town, can the exchange demand compliance with the old award before contracting with him for new service? In conversation with Mr. Steffes I learned [fol. 1106] that he objected to this. May I have your opinion on the matter? I should like to make a test case of the next account like this.

There is no doubt but that in this territory the older managers have been governed by Mr. Steffes opinion. I am wondering whether I should act as they have always done or try making changes. We have a failed to comply arbitration list of over one hundred names. Very few exhibitors comply with an award: they get service from independents or from the Northwest Theatre Owners Film Exchange.

It is my understanding that each film exchange is allowed to spot book only one picture to an account that is under credit investigation. However, there is nothing I can find in the rules to substantiate my opinion. Several exchanges spot three or four pictures. Is there a limit for such spot booking?

When you told me to write you for any information I wanted, you did not realize that I would ask you so many questions, did you?

Sincerely yours, (Signed) M. M. Dietz, Secretary.

jd.

[fol. 1107] DEFENDANTS' EXHIBIT R-1

(Copy)

November 7, 1927.

Mrs. M. M. Dietz, Secy. Minneapolis Film Board of Trade, Minneapolis, Minn.

DEAR MRS. DIETZ: This is in reply to your letter of November 3, 1927. I will answer your questions in the order in which you ask them.

1. Re Universal's 100-week Contract.

The provision of Clause Two of the Standard Exhibition Contract that the exhibitor is licensed to exhibit pictures "during the year commencing with the date fixed or determined as hereinafter provided for the exhibition in the above-named theatre of the first photoplay deliverable hereunder" applies only in cases where no definite period is fixed in the contract. In such cases the contract is to be performed within one year from the date of the exhibition of the first deliverable picture. However, in the case you mention, if Universal and the exhibitor have agreed, and it is so stipulated in the contract, that the exhibitor's license is to extend over a period of 100 weeks, that is a definite period, and there is no need for resorting to Clause Two for determining the period during which the contract is to be performed. Therefore the period of performance provided in Clause Two does not apply in this case.

2. Enforcement of Awards

In cases where an exhibitor fails or refuses to comply with an award against him by the Board of Arbitration, only such members of your Film Board of Trade then having existing contracts with such exhibitor are obligated under the Rules and Regulations relating to Arbitration to demand security for the performance of such contracts.

Members of your Film Board of Trade who at the time the award was made had no existing contracts with such exhibitor are free to make contracts with him, with or without security for their performance. It is for each of such class of members individually to determine in the exercise of their business judgment whether or not to enter into business relationship with an exhibitor who has been found by the Board of Arbitration to have breached his contract with another distributor. If any of them determine to do business with such exhibitor notwithstanding their knowledge of his business conduct toward such other distributors, [fols. 1108 & 1109] they must also at the time of making their contract determine whether or not to require security for its performance. If the contract is made and no security is required, there is no provision in the Standard Exhibition Contract giving the distributor the right to demand at some future time security for its performance, excepting in cases of the refusal or failure of the exhibitor to comply

with an award against him which award was made after the date of such contract.

3. New Theatre

If by "new theatre" you mean a newly constructed theatre, then the owner thereof does not come within the scope of the Credit Committee.

But if you mean that the theatre is newly acquired by the exhibitor, by means of a transfer or sale, then your Credit Committee must take into its consideration in the investigation of the exhibitor, the fact that he has failed to comply with an award made by your Board of Arbitration, and if its report is unfavorable, then the distributors must demand security from the exhibitor for the performance of any new contracts which he may desire to enter into with such distributors.

Of course, do not follow Mr. Steffes' opinions unless you concur in them to the fullest extent. If you believe any opinion that he expresses is wrong, act on your own opinion, and have your members follow you rather than Steffes.

4. Spot Booking

There is no limitation upon the number of pictures which a distributor may spot-book to an exhibitor during the period of credit investigation. The exhibitor may spot book as many pictures as he desires, but only for exhibition during the ten day investigation period; or if the period is extended, then during such extended period.

Sincerely yours, Gabriel L. Hess, General Attorney.

Copy to Mr. E. M. Saunders.

[fol. 1110] DEFENDANTS' EXHIBIT "S-1"

Letter, Mrs. Dietz to Mr. Koenig, Dated November 15, 1927.

[fol. 1111] Minneapolis Film Board of Trade, Inc.,
Minneapolis, Minn.

November 15, 1927.

Mr. Ben Koenig, Secretary Milwaukee Film Board of Trade, M. & M. Bank Building, Milwaukee, Wisconsin.

DEAR MR. KOENIG: I have been a little puzzled for the last few weeks over a ruling which Mr. Hess has communicated

to me and which I remember was given at the convention. It is—

"In cases where an exhibitor fails or refused to comply with an award against him by the Board of Arbitration, only such members of your Film Board of Trade then having existing contracts with such exhibitor are obligated under the Rules and Regulations Relating to Arbitration to demand security for the performance of such contracts.

Members of your Film Board of Trade who at the time of the award was made had no existing contracts with such exhibitor are free to make contracts with him, with or without security for their performance. It is for each of such class of members individually to determine in the exercise of their business judgment whether or not to enter into business relationship with an exhibitor who has been found by the Board of Arbitration to have breached his contract with another distributor. If any of them determine to do business with such an exhibitor, notwithstanding their knowledge of his business conduct toward such other distributors, they must also at the time of making their contract determine whether or not to require security for its performance. If the contract is made and no security is required, there is no provision in the Standard Exhibition Contract giving the distributor the right to demand at some future time security for its performance, excepting in cases of the refusal or failure of the exhibitor to comply with an award against him, which award was made after the date of such contract."

I am wondering how your Board handles this. Do they work according to this ruling? I have not discussed this with my Board as yet. If I do tell them this, I feel it means goodbye to any attempt to get awards complied with. The exchanges not holding contracts will use the arbitration list as a prospect list and exhibitors never will comply. Our last arbitration list had 154 names on it. Just when I think I am beginning to get this Board on the right track and can hold them to the New York violation ruling, something like this comes up.

With regard to the Friedman contract with Breitung, the son of Mr. Marolf, who is a partner of Mr. Shaffer, came to the Friedman office and told Mr. Friedman his

father and Mr. Shaffer were taking over the contracts on which there was to be an allocation. Mr. Friedman is asking me to get some action on his contract since it seemed to be perfectly agreeable to the new owner that his contract be included in the allocation.

I am looking forward to meeting the committee from your Board.

Best regards, Mabel Dietz, Secretary.

[fols. 1112-1117] Charlotte Film Board of Trade Arbitration Case

[fol. 1118] Office of Kenneth Finlay, Opera House Building, Goldsboro, N. C.

Feb. 10, 1927

Mr. C. Pettijohn, New York City.

DEAR MR. PETTIJOHN: I am writing to you to see if I cannot get a little justice down in this neck of the woods.

In November I received by Registered Mail, a claim from the Board of Trade at Charlotte by Liberty Film Co., to appear for judgment on an unplayed contract. I immediately wrote the secretary asking for a more detailed statement of the claim, and in due time got it back with several items taken off and a letter from her saying that this was the revised claim. I asked that the claim be set for two weeks after the date allotted, which was granted, in order that I could get two men from Wilson and Tarboro, N. C., to go with me to Charlotte, a distance of 246 miles by road, to fight this unjust claim. Now the Film Board demanded me to appear by Registered Mail, but here is what happened. When we arrived in Charlotte for the meeting, we were advised that the case had been withdrawn,—that I had been advised two days before, by ordinary mail. It was not important that I be advised not to come. The truth of the matter is that they never advised me not to come at all and put me to the expense of going to Charlotte. If I had not have gone the Board would have gone against me as they did once before. I made claim for my expenses and was told to put the item through as a claim and at the next meeting it would be taken up. I asked the secretary to fill out the papers for me, which

she did, but at the next meeting I was told (by mail) that my claim was not made out right, that it should be made against Liberty Film Co., although they allowed Liberty to put a claim against me for Southern States Film Co. of Atlanta and took me to Charlotte on this claim. Another claim was filed and this mornings mail brings the result which is my claim disallowed.

Alright. The reason that Liberty withdrew this claim was that I hold a receipt for $250.00 as a deposit when I was on the blacklist two years ago for money I never put up so that Southern States could supply the pictures while the rest of the film companies had me cut off. They did not think that I would go to Charlotte at all, but when they saw me on the job they withdrew the claim. The rotten part of the whole affair is that the Charlotte Board is protecting them in this affair because everyone on the Board that passed on this case knows that I hold this phoney receipt. I ask for an investigation of this affair—that I be paid back the money it cost me by an unscrupulous distributor using the Board to further his own end at the cost of others.

[fol. 1119] I promise I will not let a Trade paper have this case until I have heard from you. All I want is justice which cannot be had in Charlotte unless you belong to the gang, and I don't drink. May I hear from you?

Yours very truly, (Signed) Kenneth Finlay.

24 years in the business.

[fol. 1120] Board of Arbitration Copy

Claim Statement

Complaint: K. E. Finlay, Goldsboro.
Defendant: Liberty Specialty Film Dist. Co.
Reason for Claim: Expenses to Charlotte.

Contracts Attached:——

A. Date of Contracts:——
B. Signed by:——
C. Salesman:——
D. Subjects and Price:——
E. Subjects Played:——

F. Subjects Unplayed:——

Amount of Claim: $74.40. How Determined: Railway Fare myself and witnesses; Personal Expenses (3 days). Correspondence Attached:——

Claim Received:——

Executive Committee O. K.:——

Exhibitor Notified:——

Answer Received:——

Date of Decision:——

Signature of Complainant: K. E. Finlay, Manager, Ass't. Manager.

[fol. 1121] City of Charlotte,
State of North Carolina,
County of Mecklenburg:

In the Matter of the Arbitration of Liberty Film Dist. Corp., Distributor, and K. E. Finlay, Exhibitor, Opera House, Goldsboro, N. C.

We, the undersigned arbitrators, having been duly appointed to arbitrate the matters in controversy existing between the above named Distributor and Exhibitor as by the provisions of the contract between said Distributor and said Exhibitor provided (or by the conditions of their submission in writing executed by said Distributor and Exhibitor respectively and sealed with their respective seals and duly acknowledged) and after having taken oath and after hearing the proofs and allegations of the said parties and due deliberation having been made we do hereby award, determine and order; that is to say: (Here express in clear and precise terms the award so that nothing shall be left uncertain. The award should be final in its terms so as to terminate the controversy.) That the case be dismissed.

Upon the failure of the exhibitor to fully comply with this award within seven days from the date thereof the sum of $—— is hereby fixed as the maximum amount which each distributor a member of the —— Film Board of Trade having a contract with the exhibitor may demand pursuant to the provisions of the Arbitration Clause contained therein as security for the performance by the exhibitor of each such contract.

In witness whereof we have subscribed this award this 8th day of Feb. 1927

F. P. Bryan, (L.S.), W. E. Stewart, (L.S.), U. K. Rice, (L. S.), Wm. F. Lenehan (L S.), P. A. Schmuck (L. S.), W. L. Griswold (L. S.).

STATE OF NORTH CAROLINA,
County of Mecklenburg:

On this 8th day of Feb., 1927, before me, a Notary Public in and for said County and State, personally appeared F. P. Bryan, W. E. Stewart, U. K. Rice, Wm. F. Lenehan, P. A. Schmuck, W. L. Griswold, known to me to be the individuals described in and who executed the foregoing instrument, and they duly acknowledged to me that they executed the same.

Pauline Hardin, Notary Public. My commission expires Jan. 22, 1928. (Notarial Seal.)

[fol. 1122] Film Boards of Trade, 469 Fifth Avenue, New York

Charles C. Pettijohn, General Counsel; Gabriel L. Hess, General Attorney

Miss Pauline Hardin, Miss Lytell, and Mr. Wm. Conn, Charlotte Film Board of Trade, Charlotte, N. Car.

February 15, 1927.

DEAR MISS HARDIN: I am enclosing herewith copy of a letter received at this office today from Kenneth Finlay, Opera House Building, Goldsboro, N. Car., and I am replying as per the attached copy of my letter.

I know that mistakes will happen and this seems to be a mistake of the Charlotte Film Board of Trade or its secretary. Knowing that this man was coming in for a hearing you should have telegraphed or telephoned him not to come in the minute you knew the claim was to be withdrawn. If you did not have time to so notify him, then the company filing the claim and so withdrawing it ought to reimburse this man for his travelling expenses and hotel bills.

If the facts are as Mr. Finlay states them in this letter and the Liberty Film Company will not reimburse his

expenses I want the matter referred to this office and we will see to it that the exhibitor is so reimbursed. If the facts are not as this man states in his letter, please let me have a statement of the facts as you understand them. There is no necessity for the exhibitor to file a claim for expenses under such a statement of facts. If what he says is true he ought to be immediately reimbursed by Liberty and if they refuse to do it please so advise me promptly and I will see that it is done from here.

I will appreciate a prompt reply to this letter.

Very truly yours, C. C. Pettijohn, C. C. Pettijohn, General Counsel.

[fol. 1123] February 23rd, 1927.

Mr. C. C. Pettijohn, Film Board of Trade, New York, N. Y.

Dear Mr. Pettijohn: Your letter of the 15th would have been answered immediately but I wished the Board to have knowledge of same and I also thought it best to get a statement from Mr. Lenehan as to his telephone conversation with Ken Finlay on Saturday, December 4th, three days prior to the hearing of the Liberty claim against the Goldsboro exhibitor, which was scheduled for December 7th.

This case was thoroughly explained to Mr. Flinn when he was in Charlotte. The Southern States Film Company in Atlanta sent Mr. Finlay a letter dated May 1924 acknowledging receipt of a $250.00 cash security which had not actually been paid by him. At that time there was an award outstanding against Finlay which a member of the Charlotte Board had obtained. Mr. Finlay is perfectly correct in his statement that Southern States posted this amount on their records in order that they might continue his service.

In November 1926 Mr. Wiman (new manager of Liberty) filed a claim against Finlay for playdates. Mr. Finlay wrote me asking for details concerning several pictures, a postponement of the hearing and he also stated that he had facts to divulge to the Board. The information was furnished him and the postponement granted.

In the meantime Finlay told certain members of the Board about the deposit. The matter was discussed at a Board meeting and Wiman decided that he'd better get in

touch with his Atlanta office. He did and called me on December 2nd advising that he was withdrawing his claim. I asked him if the Exhibitor had been notified and he replied that he had. (I am attaching copy of letter written by Liberty on December 2nd, five days prior to hearing, notifying exhibitor of the withdrawal of their claim—also letter from Mr. Lenehan concerning the matter.)

[fol. 1124] At the hearing December 7th Mr. Finlay appeared demanding that the claim be heard. The Arbitration Board advised him that the claim had been withdrawn. He replied that he had one—expenses to Charlotte in the amount of $74.40 (there were no witnesses in evidence) and refund of the $250.00 plus interest. He was advised to file a claim, which he did.

At the next meeting of the Arbitration Board it was decided that his claim against Liberty for $74.40 be heard by this Board of Arbitration and the claim for $250.00 against Southern States be forwarded to Atlanta where their office is located. Mr. Finlay was advised of the decision and he re-filed a claim for $74.40, the other claim being sent to Atlanta.

At the hearing of the Board Feb. 8th it was the unanimous decision of the Board that the amount of $74.40 covering Mr. Finlay's expenses should not be paid by Mr. Wiman because he showed proper proof of having notified the exhibitor by letter five days in advance of the hearing of the withdrawal of his claim.

Therefore this decision stands on our records as an award of this Board of Arbitration which award we cannot set aside.

I have talked with our Distributor Arbitrators and they are unanimous in their opinion that in view of their award this exhibitor should not be re-imbursed either from New York or by Liberty. I have not taken it up with the exhibitor representatives because I did not wish to provoke more agitation over this matter.

Kindly advise me if I have in any wise acted incorrectly in the handling of this claim.

We feel that the statement made by Mr. Finlay as to the character and integrity of the members of this Board is unjust.

We have endeavored in every way possible to promote more friendly relations between Mr. Finlay and the members of this Board.

Sincerely yours, —— ——, Secretary.

[fol. 1125] EXHIBIT #79

Office of Kenneth Finlay, Opera House Building, Goldsboro, N. C.

March 12, 1927.

Mr. C. Pettijohn, New York City.

DEAR MR. PETTIJOHN:

The enclosed letter speaks for itself. The Charlotte Board is bound that it will not do anything, and no doubt have told Miss Littell, how they saw things. However the day that I was in Charlotte to appear before the Board, Mr. Wiman told the board that he had advised me not to come on the Friday preceding the trying of the case which was on the following Tuesday. He showed the letter which he sent. Now they have it down there that he sent the letter five days in advance. Can he show this with a post mark on it? Or can he show where the letter arrived in my town at any time? No sane person would credit any man going 250 miles if he was advised not to go, would they? You can see through it all. They did not expect me to fight it because on other occasions I took the ruling of the Board without appearing. This case I was particular to write the Secretary and get her to see Liberty and have the first letter verified, which she did with some numerous corrections in the charge, then the case was pos-poned at my request for another two weeks. In all this time Liberty never withdrew the charge. Then when I got there and I claimed my expenses, I was told to put in a claim, knowing that I would not come back again. In [fol. 1126] fact I was told that it would not be necessary for me to appear in person. By not appearing you see the result.

I am sincere in my belief that this is another frame up just the same as the beginning of the affair was two years

ago when I received a receipt for $250.00 when I did not send them the money, so that they could supply me film while the other members of the organization were withholding service. I don't believe that they ever sent me a letter and I defy them to show post marks or my signature for any letter other than the one they sent demanding my appearance. The letter that was shown purporting to have been sent, while I was there, was not five days in advance anyway, as stated by the enclosed letter.

This is a small matter to have so much noise about but for a far less sum which I did not owe I was put on the Black List last summer, and so I would ask you to please try and get an adjustment for me.

Hope you had a pleasant trip while you were away from your office and with kindest personal regards, I am.

Yours very truly, Kenneth Finlay.

[fols. 1127 & 1128] EXHIBIT #80

Film Boards of Trade, 469 Fifth Avenue, New York

Charles C. Pettijohn, General Counsel; Gabriel L. Hess, General Attorney

March 16, 1927.

Miss Audrey Littell, Charlotte Film Board of Trade, Charlotte, N. Car.

DEAR MISS LITTELL: I am enclosing herewith home office check for $74.40 made payable to Kenneth Finlay of the Opera House Building, Goldsboro, N. Car.

You will please mail this check to Mr. Finlay and make such proper notation on the record of your Board as will finally dispose of this claim and controversy.

It is the opinion of this office that Mr. Finlay is entitled to the $74.40 in question. There are enough facts and circumstances in connection with this case to warrant Mr. Finlay in at least feeling that he is right and there are enough facts and circumstances to warrant this office in believing that he may be right.

The principle thing that we are concerned about here is to make sure that we are not wrong. No reimbursement

from any member of your Board is necessary. We have assumed to pay the amount here to close the matter.

I am sending to you for your records all of the correspondence in this case and I think it would be well for you to read page two of Mr. Finlay's letter of March 12th to some of the members of your Board.

Very truly yours, C. C. Pettijohn, C. C. Pettijohn, General Counsel.

[fols. 1129 & 1130] GOVERNMENT EXHIBIT 10

Dallas Film Board of Trade Arbitration Case

[fol. 1131] DFBT, April 7, 1928

Exhibitors who have refused to submit to arbitration a controversy arising under a contract containing the arbitration clause or who have refused to comply with a decision of the Board of Arbitration or who have committed such a breach of contract as in the opinion of the Board justifies members in requiring security in future dealings with such exhibitors. Supersedes list of March 31st.

Dallas Board

Pittsburg, Lincoln (M. J. Chapman).
Chrystal City, National (Juan N. Delgado).
Edna, Colored, Queen (J. B. Vaughn).
Dilley, Anahuac (J. E. Obregon).
Monahans, Palace (John A. Yates).
Call clo Lone Star (Emma Wysingle).
Bonham clo Star (Charles Jordan).
Laredo clo Itrubide (G. P. Martinez).
Oplin clo Oplin (W. M. Head).
Valley View clo Home (E. F. Knight).

Dallas Pending

Houston, Strand No. 2 (Herman Shaw).
Houston, Lincoln (O. P. DeWalt).
Houston Heights (Robert S. Wygant).
Forney, Forney (B. E. Lannom).
Georgetown, Monarch (Sebe Goodlett).

Daisetta, Liberty (R. E. Johnston).
Lubbock, Palace (C. C. Lindsey).
Merkel, Cozy (H. T. Hodge).
Ballinger, Maercy (H. T. Hodge).
Winters, Queen (H. T. Hodge).

Memphis-Little Rock Board

Eureka Springs, Arkansas, Commodore (Herman Alwes).

See part L in the 1928 Almanac for a list of other exhibitors who are in default of awards of the Board of arbitration and who no longer operate theatres.

Call on the Secretary for any further information.

Respectfully submitted.

Don C. Douglas, Secretary.

DCD-L. Copy.

[fol. 1132] DFBT, April 14, 1928

Exhibitors who have refused to submit to arbitration a controversy arising under a contract containing the arbitration clause or who have refused to comply with a decision of the Board of Arbitration or who have committed such a breach of contract as in the opinion of the Board justifies members in requiring security in future dealings with such exhibitors. Supersedes list of April 7th.

Dallas Board

Houston, Strand No. 2 (Herman Shaw).
Forney, Forney (B. E. Lannom).
Georgetown, Monarch (Sebe Goodlett).
Lubbock, Palace (C. C. Lindsey).
Pittsburg, Lincoln (M. J. Chapman).
Crystal City, Nat'l. (Juan N. Delgado).
Edna, Colored, Queen (J. B. Vaughn).
Dilley, Anahuac (J. E. Obregon).
Monahans, Palace (John A. Yates).
Call, clo Lone Star (Emma Wysingle).
Bonham clo Star (Charles Jordan).
Laredo, clo Iturbide (G. P. Martinez).
Oplin clo Oplin (W. M. Head).
Valley View Home (E. F. Knight).

Memphis Little Rock Board

Eureka Springs, Ark., Commodore (Herman Alwes).

See Part L in the 1928 Almanac for a list of other exhibitors who are in default of awards of the Board of Arbitration and who no longer operate theatres.

Call on the Secretary for any further information.

(Respectfully, signed) Don C. Douglas, Secretary.

DCD-L. Copy.

[fol. 1133] Exhibit A-67

Form No. 1

Claimant's Copy

Complaint

Dear Sir: We attach hereto a contract entered into with Alamo Amusement Co., exhibitor, operating the Palace or Rialto Theatre at San Antonio, in the City of Texas.

We respectfully complain against said exhibitor as follows. (Here insert a plain and concise statement of facts):

Mr. Santikos, general manager, Alamo Amusement Company has the following contracts unplayed which his playing arrangements on these subjects are up August 1, 1924, as per the face of contract. Please enter claim for the mentions: Boomerang $800.00; Go Straight $300.00; Mansion of Aching Hearts $250.00; Faint Perfume $250.00; Parasites $250.00; My Lady's Lips $250.00.

Mr. Santikos advises that he will not play this contract under any circumstances unless there is a reduction. He played the following subjects, which are on this contract, as follows: Breath of Scandal, White Man, Triflers. We have written Mr. Santikos any number of letters trying to secure these dates, but he refused to answer our correspondence.

Please accept this total amount of $2100.00.

We desire you to advise the exhibitor of our claim, and if it is denied, or if the exhibitor fails to respond to your communication, or if an answer is received and it is not satisfactory to us, we desire our claim brought before the Board of Arbitration for determination.

Very truly yours, Creole Enterprise, Inc., by Liberty Film Distributing Corp., Distributor. C. L. Dees, Manager.

[fol. 1134] EXHIBIT A-61

DFBT, Aug. 20, 1925

Creole Enterprises, Inc. vs. L. Santikos, Alamo Amusecent Co., San Antonio, Texas.

Contract: Uniform.

Nature: Fulfillment of contract.

On Dec. 8, 1924, exhibitor entered into contracts for certain pictures agreeing that they would be exhibited during the year commencing August, 1924, which time has no- expired. The distributor enters a claim for $2100.00, representing the rental on six unplayed pictures as listed.

On July 1, 1925, the exhibitor addressed the distributor advising that he had lost one thousand dollars on the engagement of White Man and requesting a reduction on the other pictures, stating that they would be played during the month of July and August. It appears that the distributor agreed to reduce one of the pictures from $800.00 to $500.00, provided the exhibitor would give dates on all the other pictures. It appears that the exhibitor did not accept this proposition. The distributor is now entering claim for the full contract rental price, claiming that they were due this as of Aug. 31, 1925.

[fol. 1135] EXHIBIT A-64

City: Dallas.

State: Texas.

County: Dallas.

In the Matter of the Arbitration of CREOLE, Distributor, and LOUIS SANTIKOS, Alamo Amusement Co., Exhibitor, San Antonio, Texas

We, the undersigned, arbitrators, having been duly appointed to arbitrate the matters in controversy existing between the above named Distributor and Exhibitor as by the provisions of the contract between said Distributor and said Exhibitor provided (of by the condition of their submission in writing executed by said Distributor and Exhibitor respectively and sealed with their respective seals and duly acknowledged) and after having taken the oath

and after hearing the proofs and allegations of the said parties and due deliberation having been made, we do hereby award, determine and order; that is to say:

(Here express in clear and precise terms the award so that nothing shall be left uncertain. The award should be final in its terms so as to terminate the controversy.)

"That the pictures as evidenced by contract of December 8, 1924, be furnished by the distributor at the following rental rates:

Boomerang	$500
Go Straight	200
Mansion of Aching Hearts	200
Faint Perfume	200
The Parasite	200
My Lady's Lips	200

that the exhibitor pay the total rental of $1500 or play these pictures on or before 90 days from this date.

In witness whereof we have subscribed this award this 8th day of Oct., 1925.

R. C. McElheran (L.S.), P. K. Johnston (L.S.), F. A. Tomes (L.S.)., J. W. Reynolds (L.S.), A. W. Lilly (L.S.), E. H. Rowley (L.S.).

[fol. 1136] EXHIBIT A-69

Liberty Film Distributing Corp., 2009 Jackson Street, Dallas, Texas

January 21, 1926.

MR. DON C. DOUGLASS: We wish to call your attention to the claim against Louis Santikos, of the Alamo Amusement Company, San Antonio, Texas; heard before the Board of Arbitration on October 8th, 1925, with the following award:

"That the pictures as evidenced by contract of Dec. 8th, 1924 be furnished by the distributor at the following rental rates:

Bowmerang	$500
Go Straight	200
Mansion of Aching Hearts	200

Faint Perfume	$200
The Parasite	200
My Lady's Lips	200

that the exhibitor pay the total rental of $1500.00, or play these pictures on or before ninety days from this date."

We must have some understanding with Mr. Santikos, in abiding with this award within the next few days, as our Atlanta Office was furnished with a copy of this award and is calling this to our attention.

Yours very truly, Liberty Film Dist. Corp., Booker.

CLD-f.

[fol. 1137] Minutes of Special Meeting Feb. 12, 1926

By order of the Board of Directors a special meeting of members was called for 2 P. M. Feby 12.

The roll was called and members representing the following distributors were present: First Natl., Universal, Educational, Enterprise, Fam. Pl. Dallas, Fam. Pl. San A. Ax., FBO, Fox, Pro Dis, Metro, Pathe, Progress ab., Liberty, Specialty, United Art, Warner, Home St Ab.

The purpose of the meeting was to discuss the San Antonio situation. There being no further business the meeting adjourned at 4 P. M.

[fol. 1138] Copy

2-1841.
Arterberry & Miller.
Register. Receipt requested.

Feb. 12th, 1926.

Mr. Louis Santikos, Palace Theatre, San Antonio, Texas.

Dear Mr. Santikos: We have received information whereby we are within our rights in asking that you favor us with remittance in the sum of $500.00 and which is to be applied to the credit of your account as a deposit guaranteeing fulfilment of your contract.

This request is made under clause "O" of our contract and unless this check is forthcoming within seven days, we will be at liberty to suspend service, or terminate the con-

tract, as we see fit, provided there is not a satisfactory change in conditions.

Yours very truly, Metro Goldwyn Mayer Dist. Corpn. of Texas. —— ——, Branch Manager.

LB/V.

[fols. 1139 & 1140] Exhibit A-52

Western Union

Copy

New York, N. Y., Feb. 13, 1926.

Mr. J. Huey, Vitagraph, Inc., 304 S. Jefferson, Dallas, Texas:

Have wire from Underwood and you shouldn't have told film board it was my instructions serve Santikos You should have told them fact you were doing so upon legal advice and not choice stop I havent wire Underwood but its up you straighten this out and tell him this stop these are facts and its always best state them stop natural film board would believe we doing this for rental obtained which isnt fact we are doing it to prevent legal entanglement and damage suits you know this advise

Sam E. Morris.

[fol. 1141] Minutes of Meeting Feb. 15, 1926

The roll was called and members representing the following distributors were present:

First Natl., Universal, Educational, Enterprise, Fam. Pl. Dallas, Fam. Pl. San A. ab X, FBO ab, Fox, Pro Dis ab, Metro, Pathe, Progress, Liberty, Specialty, United Art, Warner, Home St.

By unanimous vote the minutes of the regular meeting of February 1st and the special meeting of Feb. 12 were accepted as read.

Upon motion by J. E. Luckett seconded by R. C. McIlheran the reports and recommendations of the Adjustment Committee were accepted as read. The action was duly passed.

Upon motion by L. Bickel seconded by J. E. Luckett that the application for membership of R. J. Murray of the Associated Exhibitors be accepted with an initiation fee of $100 and $20 monthly dues payable and effective in Feb. 1926, provided the contract contains verbatim the so-called uniform arbitration clause; and further that the acceptance of this application for membership is contingent upon the inspection by a Committee of three members of this Board of the contract now in use and the approval thereof. The motion was duly passed.

The chair appointed the following Committee to inspect the Associated Exhibitors contract: J. E. Luckett, L. Wilkes and W. G. Underwood.

Upon motion by Oscar Morgan seconded by R. J. Ingram that Mr. Reed, Manager of the Dallas Chamber of Commerce, be invited to attend our next meeting on March 1st and that the Secretary advise Mr. Reed to this effect. The motion was duly passed.

Upon a motion by J. K. Adams seconded by J. E. Luckett that Warner Bros. be suspended from the benefits of this Board for a period of thirty days and to be reinstated thereafter only upon the assurance that the rules and regulations and bylaws of this Board will be respected in the future. The motion was duly passed by a majority vote of those voting (Registered no vote 4 (Educational) 13 (Metro) 14 (Pathe) 18 (Paramounts 7 (Fox 2 (First National).

[fol. 1142] EXHIBIT A-53

Copy

February 18, 1926.

Mr. Sam E. Morris, General Manager Vitagraph, Inc., 1600 Broadway, New York, N. Y.

DEAR MR. MORRIS: No doubt you have already been advised that the members of the Film Board of Trade voted to suspend us effective today for a period of thirty days because of our action in the San Antonio situation. Circumstances unfortunately placed us in a position whereby regardless of the move we made we would be forced to suf-

fer the consequences. In handling the situation as we did I believe that we pursued the best course, as we avoided legal difficulties with Mr. Santikos of the Rialto Theatre.

I regret it was necessary to connect you in any way in the controversy, but I had no other alternative and only did so as a last resort and in the best interests of Warner Bros. Underwood has wired Mr. Pettijohn today regarding the action of the Board and I am sure he will modify their action when he is acquainted with the complete details.

Yours very truly —— ——, Branch Manager.

JEH:IG.

[fol. 1143] (Copy)

Warner Bros. Pictures, Inc.

Branch Office: 304 South Jefferson Street, Dallas, Texas.

February 18, 1926.

Dallas Film Board of Trade, 2009½ Jackson St., Dallas, Texas.

Gentlemen: The action of the members of the Dallas Film Board of Trade at the last meeting Monday, February 15th in suspending us because of our stand in the San Antonio situation is absolutely without cause or justice.

We protest this move and insist that immediate steps be taken to have this action rescinded and that we are reinstated at once. We are within our rights in contesting this rash move and request that a special meeting be called Friday, February 19th, and members be notified of our protest.

Yours very truly, Vitagraph, Inc. J. E. Huey, Branch Manager.

JEH:IG.

Registered Mail.

Offices of Vitagraph, Incorporated.

[fols. 1144 & 1145] EXHIBIT A 54

Copy

Western Union

New York, N. Y., Feb. 18, 1926.

Mr. J. E. Huey, Vitagraph, Inc., 304 S. Jefferson, Dallas, Texas.

Very much surprised action Film Board have protested profusely this action to Hays who is taking immediate steps see we reinstated this was contemptible move and surprised at local members of board taking such action stop you file protest by registered mail immediately sending me copy.

Sam E. Morris.

Collect.

[fol. 1146] (Copy)

(No date.) HTA.

Mr. Albert Warner, Warner Brothers Pictures, Inc., 1600 Broadway, New York City, New York.

MY DEAR ALBERT: I have your favor of recent date in which you enclose my photograph clipped from the house organ of the Film Board of Trade. It might be interesting for you to know that since the organization of the Film Board of Trade the only president that this organization has had is "yours truly".

I am glad to know that your picture, "The Sea Beast", is going over good, and that you- business is going nicely. I will be always glad to do anything that I can to help your organization.

However, the obstacles that are placed in my way at times are hard to get over. For instance,—last week it was my duty to entertain a motion suspending Warner Brothers from the Dallas Film Board of Trade, owing to the fact that your manager, in order to carry out the instructions of Mr. Morris, was obliged to violate the rules and regulations of the Dallas Film Board of Trade relative to making

shipment without a deposit where deposits had been requested previously.

The Film Board of Trade, I believe you will bear me out, means nothing unless everybody stands pat and gives and gets a square deal, and for a sales manager to sit in New York and connive with his local manager and district managers, to attempt to set at naught the rules of the Film Board of Trade, will do us more harm than anything else and will have a tendency to destroy the Film Board of Trade and its purposes.

Your manager here is one of the finest, upstanding managers in the city of Dallas, and is well thought of not only by his fellow managers, but by the exhibitors as well, and the members in suspending Warner Brothers from the benefits of the Film Board of Trade for a period of thirty days did so because they did not want to harm or hurt Mr. Huey.

I sincerely trust that this action will be the cause of the sales managers in New York getting together and promising Mr. Pettijohn and each other in good faith, that henceforth they will cut out their double-crossing tactics and stand shoulder to shoulder to see that the benefits of the Board, as far as the decisions are concerned, are carried out in their entirety.

Trusting that this finds you and yours in good health, and with best wishes and kindest personal regards, I am,

Very truly yours, Specialty Film Company. ——
——, President.

WGU:m.

[fol. 1147] Copy

Feb. 26th, 1926.

Mr. Louis Santikos, Palace Theatre, San Antonio, Texas.

Dear Mr. Santikos: Please advise that our letter of recent date demanding additional security or deposit is being withdrawn today on account of satisfactory change in conditions since writing this letter to you.

Kindly be governed by the above and assuring you of our desire to take care of your needs, we are,

Yours very truly, Metro Goldwyn Mayer Dist. Corpn.
of Texas. —— ——, Branch Manager.

LB/V.

[fol. 1148] Minutes of Meeting Mar. 1, 1926

The roll was called and members representing the following distributors were present:

First Natl., Universal, Educational, Enterprise, Fam. Pl. Dal., Fam. Pl. San A., Ax x, FBO, Pro Dis, Fox, Metro, Pathe, Progress, Liberty, Specialty, United Art. Ab, Warner, Home State.

By unanimous vote the minutes of the last regular meeting were accepted as read by the Secretary.

(Certain reports and minutes eliminated.)

Upon a motion by L. Bickel seconded by L. E. Harrington the reports and recommendations of the Adjustment Committee were accepted as read. The motion was duly passed.

Upon a motion by J. K. Adams seconded by O. Morgan the membership of J. E. Huey, Warner Bros. was reinstated as of this date. The motion was duly passed.

Upon a motion by O. Morgan seconded by P. K. Johnson the following resolution was proposed with instructions that the Secretary send a copy to each General Sales Manager of National distr. companies:

(The resolution is dated March 4, 1926 and is attached hereto.)

[fols. 1149-& 1150] Dallas Film Board of Trade, Office of the Secretary, Dallas, Texas.

March 4, 1926.

Dear Sir: We are quoting below copy of a resolution which was duly passed by unanimous vote at the last regular meeting of Members March 1, 1926:

"Whereas it is the understanding of the Dallas Film Board of Trade, that this Board understands that each member of the Board is called upon to support the rules, regulations and by-laws of such Board, and:

Whereas within the last few months specific instances have arisen where various executives of certain National distributors have gone to certain exhibitors in the territory under the jurisdiction of the Dallas Film Board of Trade, and violated the rules, regulations and by-laws of such Film

Board of Trade, and also the general understandings and usages in effect in such Board, and:

Whereas such deviations from our rules, regulations and by-laws have made the position of the Dallas Film Board, also the position of certain individual companies untenable, and:

Whereas the selling and serving of product to exhibitors placed on the undesirable list either failing to comply with awards of the Board of Arbitration or other reasons, will eventually, if continued, make it impossible for the Dallas Board to properly function:

Therefore, be it resolved that the Sales Managers of each National distributing organization should advise its Dallas Branch by letter, copy to be sent to the Secretary of the Dallas Film Board of Trade, this letter to be to the effect that every executive of the company shall not violate in any manner the decisions of the Dallas Film Board of Trade, or Board of Arbitration, and that, furthermore, its executives will properly acquaint themselves in reference to the status of any exhibitor they intend to solicit or serve, before doing so, and shall be understood that the Film Board of Trade can therefore expect the greatest co-operation from distributing organization. It is the opinion of the Board that the expression of this co-operation should be unequivocal, and that each Sales Manager shall make it very plain to executives and Branch Managers, that the officials of the company shall expect such co-operation, and shall support the Film Board of Trade.

Therefore, be it further resolved that a copy of this resolution be forwarded to the General Sales Managers of each National distributing organization, immediately by the Secretary of the Dallas Film Board of Trade."

Respectfully, Don C. Douglas, Secretary.

DCD/L.

[fol. 1151] GOVERNMENT EXHIBIT 11

UNITED STATES

v.

FAMOUS PLAYERS LASKY CORP. et al.

Detroit Film Board

Agent O'Dougherty's Report, Dec. 12, 1928

Arbitration Case

Exhibits

[fol. 1152] #846

Complaint

No. 417

Date: June 6, 1928.

For Hearing Before the Joint Board of Arbitration

Party against whom complaint is made (Owner) (Lessee): V. Barkoski.

Theatre: Merrill. Town: Merrill, Mich.

Date of contract: November 29, 1927. How signed: V. Barkoski.

Approval of contract: Date: 12 14 27. 192-. How given (letter, wire, approved copy, etc.): ——.

Unplayed subjects under This Contract

Title: Sharpshooters; Dates set: 7 28 28; Price: $10.00; Title: ——; Dates set: ——; Price: ——.

Subjects Already Played under This Contract

Title: The Escape; Date played: 5/19/28; Title: ——; Date played: ——,

Shipments Refused under This Contract (Do not duplicate as "unplayed" above)

Title: ——; Date: ——; Price: ——; Title: ——; Date: ——; Price: ——.

Amount of claim: $120.00. How determined: 3 reels, The Escape, 3000 ft. Exhibitor played this subject the second

time it had been shown and reels one, three and five came back so badly scratched it is impossible to further Exhibit them. Exhibitor has failed to comply with our request for reimbursement.

Attach contracts with exhibitor's signature covering above subjects only and correspondence relative to the claim. These will be returned to you when a settlement is secured.

Fox Film Corporation. Exchange: Detroit, Michigan. Manager: L. Sturm.

This form must be filled out completely for each complaint.

[fol. 1153] 846 A

May 22, 1928.

Mr. V. Barkoski, Merrill Theatre, Merrill, Michigan.

Dear Mr. Barkoski: We received today the print of The Escape shipped you for May 19th. Three reels, are completely ruined—each having been badly scratched, and as this was a new print, we are inclosing bill for the replacement, i. e., 3000 feet, 4¢ per foot, $120.00. We would ask that you kindly let us have check to cover by return mail, as otherwise, we shall be obliged to let the matter go before the Board of Arbitration.

What we cannot understand is how three reels could have been scratched in this way as surely an experienced operator would have noticed the film was being scratched. The reels damaged are reels Nos. 1, 3 and 5, sample of which I am mailing you under separate cover.

While we shall insist upon reimbursement for the damaged film, would suggest that you examine your machine and learn the cause so that future damage may not occur, and the consequential claim for replacement.

We are sending copy of this letter to the Motion Picture Theatre Owners office in case they want to call and inspect the film.

Yours very truly, Fox Film Corporation. Lester Sturm, Branch Manager.

SHB/MP.

CC: M. P. T. O.

Film Exchange.

47—83

[fol. 1154] 846 B

Fox Film Corporation, West 55th Street, New York City

Saul E. Rogers, General Counsel

Telephone: Columbus 3320. Cable Address: Fox Film—New York

Detroit Exchange. The Escape

July 13, 1928.

Mr. Lester Sturm, Fox Film Corporation, 66 Sibley Street, Detroit, Michigan.

Dear Sir: Our Replacement Department has advised me that one of your exhibitors destroyed reels 1, 3 and 5 of a print of The Escape and that replacement has been made.

I have never received a report of this loss from you.

Kindly give me detailed information as to the same and bill the exhibitor in the full amount of the loss at the contract price of $.04 per foot.

Very truly yours, Saul E. Rogers, General Counsel, by N. Barber.

NB: IH.

[fol. 1155] 846 C

July 18, 1928.

Mr. Saul Rogers, Fox Film Corporation, New York City, N. Y.

Dear Mr. Rogers: This will acknowledge receipt of yours of July 13th relative to the discussion of reels 1- 3- and 5 of The Escape, and wish to advise that this print while being exhibited on May 19th at Merrill, Michigan was badly scratched, it being impossible to run reels 1- 3- and 5 after that engagement.

We accordingly lodged claim against the Exhibitor and secured a decision, and to date he has not paid us for the replacement, having closed the Theatre.

Since, however, in our opinion, it would be necessary for him to remain closed permanently in order to avoid payment to us, we feel that sooner or later he will reopen, at

which time we shall bring the necessary pressure to bear thru the Film Board to recover this damage.

Yours very truly, Lester Sturm, Branch Manager.
LS/MP.

[fol. 1156] 846 F

Merrill Theatre

Fox Film Exchange.

GENTLEMEN: I want you to book up some pictures for me. I want to start your *your* pictures Oct. 6 and play one every week.

Book up some comedies for Oct. 20 and play one every week. I will send you $200.00 for your protection right away. I want to start Tom Mix for the first picture, because I didn't play a western for a long time.

V. Barkoski.

[fol. 1157] 846 G

September 18, 1928.

Mr. V. Barkoski, Merrill Theatre, Merrill, Michigan.

DEAR MR. BARKOSKI: Answering your undated favor received here a few days ago, if you will kindly let us have the $200.00 mentioned, we shall be glad to resume service as outlined by you.

Yours very truly, Fox Film Corporation. Lester Sturm, Branch Manager.
SHB/MP.

[fol. 1158] 846 H

FOX FILM EXCHANGE.

MR. STURMS I enclose you $200 dollar check for security. I want to start your pictures Sat., Oct. 6, and play one every other week.

V. Barkoski, 3003 So. Jefferson, Saginaw, Mich. Merrill Theatre.

[fol. 1159] 846 L

October 2, 1928.

MR. VELMAN: Please note letter from Mr. Palfreyman. Suggest you take out the $120.00 representing the cost of reels 1, 3, and 5 of The Escape and retain the remaining

$80.00 to be returned to the exhibitor upon completion of his contract.

S. H. B.

SHB:AH.

Se[illegible]e. S. H. B.
S. H. B.: I'm milling 'em for 120.00. J. V.

[fols. 1160 & 1161] =849

Form No. 4

City of Detroit, State of Michigan, County of Wayne:
In the matter of the arbitration of Fox Film Corporation, Distributor, and V. Barkoski, Merrill Theatre, Merrill, Michigan, Exhibitor

We, the undersigned arbitrators, having been duly appointed to arbitrate the matters in controversy existing between the above-named Distributor and Exhibitor, as by the provisions of the contract between said Distributor and said Exhibitor, provided (or by the conditions of their submission in writing executed by said Distributor and Exhibitor, respectively, and sealed with their respective seals and duly acknowledged), and after having taken the oath, and after hearing the proofs and allegations of the said parties, and due deliberation having been made, we do hereby award, determine, and order; that is to say:

(Here express in clear and precise terms the award so that nothing shall be left uncertain. The award should be final in its terms so as to terminate the controversy.)

That V. Barkoski of the Merrill Theatre, Merrill, Michigan, pay to the Fox Film Corporation within seven days the sum of $120.00 as damages, for damage done to reels one, three and five of their print of "The Escape" played May 19th, 1928, 3,000 feet at 4c per foot.

Upon the failure of the Exhibitor to fully comply with this award within seven days from the date thereof, the sum of Two Hundred Dollars, ($200.00) is hereby fixed as the maximum amount which each Distributor or a member of the Detroit Film Board of Trade having a contract with the Exhibitor may demand pursuant to the provisions of

the Arbitration Clause contained therein as security for the performance by the Exhibitor of each such contract.

In witness whereof, we have subscribed this award this 26th day of June, 1928.

Henry P. Zapp (L. S.), Carl H. Shalit (L. S.), Frank Downey (L. S.), Edgar E. Kirchner (L. S.), James C. Ritter (L. S.), C. W. Porter (L. S.).

STATE OF MICHIGAN,
County of Wayne:

On this 26th day of June, 1928, before me, a Notary Public in and for said County and State, personally appeared Henry P. Zapp, Carl H. Shalit, Frank Downey, Edgar E. Kirchner, James C. Ritter, C. W. Porter, known to me to be the individuals described in and who executed the foregoing instrument, and they duly acknowledged to me that they executed the same.

David Palfreyman, Notary Public, Wayne County, Michigan. My Commission expires —— —, ——. My Commission Expires April 15, 1932. (Notarial Seal.)

[fols. 1162 & 1163] No. 850

To Fox Film Corp.:

Please advise us immediately when a settlement is made on this claim. This is important.

June 28th, 1928.

Mr. V. Barkoski, Manager Merrill Theatre, Merrill, Mich.

DEAR MR. BARKOSKI: The claim of the Fox Film Corporation against you in the amount of $120.00 came up for hearing before the Joint Board of Arbitration on June 26th, and an award was made against you as follows, of which a true copy is on file with the Secretary of the Detroit Film Board of Trade for your inspection:

"That V. Barkoski of the Merrill Theatre, Merrill, Michigan, pay to the Fox Film Corporation within seven days the sum of $120.00 as damages, for damage done to reels one, three and five of their print of 'The Escape' played May 19th, 1928, 3000 feet at 4c per foot."

Please arrange to comply with this award within seven days in accordance with your agreement in respect to arbitration, by sending them your check at once in the amount of $120.00.

Your prompt attention will be appreciated.

Very truly yours, Joint Board of Arbitration.
——— ———, Secretary.

DP-GH.

Registered mail. Return receipt requested.

[fol. 1164] No. 852

Printed in U. S. A.

Fox Film Corporation, 66 Sibley Street, Detroit, Mich.
Head Office: 850 Tenth Ave., New York, N. Y.
Telephone: Columbus 3320. Cable Address: Fox Film New York
William Fox, President
Branches: All Principal Cities of the World

September 27, 1928.

Film Board of Trade, 302-306 Film Exchange Bldg., Cass at Montcalm, Detroit, Michigan.

Gentlemen: Kindly be advised that the Merrill Theatre, Merrill, Michigan, has deposited with us $200.00 as guarantee of fulfillment of their contract.

At completion of the contract, do we hold out the price of the damaged reel for which we received the judgment? Please advise.

Yours very truly, Fox Film Corporation. L. Sturm,
Lester Sturm, Branch Manager.

SHB: AH.

[fol. 1165] No. 853

September 8th, 1928.

Mr. Lester Sturm, Manager Fox Film Corp., 66 Sibley St., Detroit, Mich.

Dear Mr. Sturm: In reply to your letter of Sept. 27th, I am of the opinion that Mr. Barkoski has settled the arbitration award against him by posting the $200.00 cash deposit with your exchange.

The Standard Exhibition Contract Clause Eighteenth, third paragraph, it seems to me covers this explicitly, stat-

ing that the exhibitor is to post an additional sum not exceeding $500.00 on each existing contract "such sum to be retained by the distributor until the complete performance of all contracts and then applied at the option of the distributor against any sums finally due or against any damages determined by the said Board of Arbitration to be due to the distributor, the balance if any to be returned to the exhibitor."

I am of the opinion that this clearly gives you the right to deduct the $120.00 covered by the award of the Joint Board of Arbitration against this exhibitor and to return to him the $80.00 balance. Inasmuch as you have the only claim on which an arbitration award is pending against this theatre, it seems to me that the $80.00 can be returned either after the contract is completed or at once. In view of this clause in your contract, I believe that the complaint is now settled and that the theatre should be cleared at once by the Arbitration Board.

Very truly yours, Detroit Film Board of Trade, Inc.
—— ——, Secretary.

DP-GH.

[fol. 1166] No. 854

Oct. 1st, 1928.

Mr. Lester Sturm, Manager Fox Film Corp., 66 Sibley St., Detroit, Mich.

Dear Mr. Sturm: We are returning herewith your file in connection with your complaint against the Merrill Theatre, Merrill, Michigan, as we understand from your letter of Sept. 27th that this award of the Joint Board of Arbitration has been complied with.

Very truly yours, Detroit Film Board of Trade, Inc.
—— ——, Secretary.

DP-GH.

[fol. 1167] Ex. 949

August 31st, 1926.

Mr. Lester Sturm, Metro-Goldwyn Dist. Corp., Insurance Exchange Bldg., Detroit, Michigan.

Dear Mr. Sturm: We are advising you that Mr. Chas. Q. Carlisle, of the Mecca Palace Theatre, Saginaw has filed

a claim against you alleging that you should show cause before the Joint Board of Arbitration why the "The Big Parade" a picture he now has under contract with your exchange should not be furnished him in time to play not later than September 27th, 1926. Mr. Carlisle further alleges that his contract specifies "first run in the city of Saginaw" and this of course automatically would prohibit the road-showing of the picture in that city.

Will you kindly give your attention to this matter in the hope that you can settle it without it coming to the Board of Arbitration?

Sincerely yours, M. P. T. O. of Michigan. ————,
Assistant to Gen'l Mgr.

[fol. 1168] Ex. 950

September 3rd, 1926.

Mr. F. J. Downey, Metro-Goldwyn Dist. Corp., Insurance Exchange Bldg., Detroit, Michigan.

Dear Mr. Downey: This is to advise you that the claim recently filed against you by Mr. C. Q. Carlisle of the Mecca Theatre, Saginaw has been scheduled to be heard by the Joint Board of Arbitration at their meeting being held on Monday, September 13th, 1926 at 1:30 P. M. in the offices of the M. P. T. O. of Michigan, Hotel Wolverine, Detroit.

Will you kindly arrange to be present at the hearing?

Sincerely yours, M. P. T. O. of Michigan. ————,
Assistant to Gen'l Mgr.

[fol. 1169] Ex. 951

Metro-Goldwyn-Mayer Pictures,
644 Insurance Exchange Building, Detroit, Mich.

Sept. 7, 1926.

Mr. David Palfreyman, Film Board of Trade, 426 Insurance Exchange Bldg., Detroit, Michigan.

Dear Mr. Palfreyman: We have received from the Motion Picture Theatre Owners of Michigan, Inc., notification that the claim of Mr. C. O. Carlisle of the Mecca Palace Theatre, Saginaw, is scheduled to be heard by the Joint Board of Arbitration on Monday, September 13th.

Due to the resignation of Mr. L. Sturm and the appointment of the writer to the position of Branch Manager of this office, I wish that you would get in touch with Mr. Richey of the Exhibitors' Association and arrange a postponement of this case until such a time as the necessary data may be forwarded from our New York office so that we may properly present our defense.

Yours very truly, Metro-Goldwyn-Mayer Dist. Corp.
F. J. Downey, Branch Manager.

FJD:GC.

No Agreement or Order will be binding on this Corporation unless in Writing and Signed by an Officer.

[fol. 1170] Ex. 951 A

Copy

Minutes of the Proceedings of a Special Meeting of the Joint Board of Arbitration Held on Monday, September 17th, 1926, in the Office of the Motion Picture Theatre Owners of Michigan, Hotel Wolverine, Detroit, Mich., 1:00 p. m.

Joint Board of Arbitration for Film Board: J. L. Saxe, A. M. Elliott, Fred North; Joint Board of Arbitration: E. E. Kirchner, chairman; for Exhibitors: E. E. Kirchner, H. T. Hall, J. C. Ritter.

[fol. 1171] Special meeting of the Joint Board of Arbitration Held in the Office of the Motion Picture Theatre Owners of Michigan on Friday, September 17th, 1926.

Charles V. Carlisle, Mecca Palace Theatre Co., Saginaw, Michigan,

vs.

Metro-Goldwyn Distributing Corporation

In re "The Big Parade" Booked; Not Delivered

Complaint based on contract dated June 23, 1925, which contains the Uniform Arbitration clause on which all pictures which have been made by Metro Goldwyn have been played except "The Big Parade" and Mr. Carlisle is asking

that Metro Goldwyn furnish him "The Big Parade" on or before September 26th, 1926 or pay him damages for not delivering the picture.

Mr. Carlisle alleges that Metro Goldwyn are attempting to unfairly hold up "The Big Parade" because he bought it at the low price of $400.00. That after the picture was sold Metro Goldwyn discovered that it was a big picture and after they had taken a contract from Mr. Carlisle they entered into another contract with J. J. McCarthy of New York for the road showing of the picture. That after this, Mr. Goldwyn thru Mr. McCarthy attempted to get Mr. Carlisle to relinquish his rights to the first sho-ing of this picture in Saginaw which he refused to do but did make them a counter proposition that if they would give him the road showing of the picture in Saginaw for this Spring, he would allow the contract he holds to stand as a second run contract. This was never done.

Mr. Carlisle contends that he had played all the pictures ready for him on the Metro Goldwyn contract even ahead of schedule and that "The Big Parade" is made and ready for his use but is being held out by Metro Goldwyn knowing that Mr. Carlisle will go out of business October 1st and after that it is impossible for him to play it after that date.

Exchange contends the picture is being road showed and that it has never been released for use in Motion Picture houses, that as soon as it is released it will be furnished to Mr. Carlisle.

Mr. Carlisle contends that the picture has been released and that he has a just claim in demanding the picture. That Metro Goldwyn have not hesitated in asking for play dates on every other picture on the contract and even going so far as to ask for some play dates on pictures they could not deliver. The fact they have played the picture as a road show in the State is positive proof they can deliver this picture if they want to do so.

[fol. 1172] Mr. Carlisle wired Metro Goldwyn August 30th, 1926, asking for exhibition dates on "The Big Parade" for four days according to the terms of the contract date to start not later than September 27th, 1926.

September 16th Mr. Carlisle receives a telegram from Metro Goldwyn offering "Bardleys the Magnificent" for September 26th giving him just ten days' notice that the

picture is available for him, which is not in accordance with the terms of the contract. Not another wire was sent to any of the other exhibitors within reasonable distance of Mr. Carlisle offering this picture to them which further goes to show they desired to hold up and not make delivery of "The Big Parade" according to his contract.

Exchange contends there is nothing in the contract to state the release date, that it remains the right of the distributor to name this date and not the exhibitor, that they are not in a position to deliver the picture and never have been, that they will give this picture to Mr. Carlisle as first run as soon as available claiming there has never been a National release date set on the picture.

Every contract that Mr. Carlisle possesses has been played or paid for. He has played the pictures on this contract with the exception of eight which have not been made or released in accordance with the terms and feels he is justly entitled to the picture or damages.

To further show that Metro Goldwyn is trying to avoid furnishing the picture to Mr. Carlisle, the picture is now booked (and he holds a sworn affidavit from Mr. Walters, Custodian) to show in the Auditorium in Saginaw as a road show under date of January 16th, 1927, which further goes to show the picture is available and can be furnished if they desire to do so.

The Mecca Palace Theatre Company has a lease right or a property right to the first run on "The Big Parade" in Saginaw and when Metro Goldwyn sold this right to others it sold the property of the Mecca Palace Theatre Co. and this in itself is a breach of the contract.

Mr. Carlisle contends that, inasmuch as this picture is made and is being used for Road Showing that the picture is available and that the picture should be furnished according to the terms of the contract, inasmuch as the picture is to show in the Mecca Palace Theatre.

Mr. Richey in presenting the case for Mr. Carlisle says that if the picture is not furnished to Mr. Carlisle, that Mr. Carlisle should be allowed damages for not getting the picture, the amount of which could be determined by the gross receipts on other pictures played. A statement is hereto attached showing gross receipts of pictures and Mr. Richey contends damages should be approximately $2000.00

Case then left with the Board and upon motion by Mr. Ritter that according to the terms of the First Run contract of the Mecca Palace Theatre Company of Saginaw, that the [fol. 1173] picture is available and should be delivered on or before September 26, 1926. Motion seconded by Mr. Hall and resulted in a tie vote.

(Signed) H. M. Richey, Secretary.

[fol. 1174] Ex. 951-B

Copy

Minutes of the proceedings of a Special Meeting of the Joint Board of Arbitration held Monday, September 20th, 1926, in the Office of the Motion Picture Theatre Owners of Michigan, Hotel Wolverine, Detroit, 1:00 p. m.

Joint Board of Arbitration: E. E. Kirchner, Chairman; for Film Board of Trade: J. L. Saxe, A. M. Elliott, Fred North; for Exhibitors: E. E. Kirchner, H. T. Hall, J. C. Ritter; Seventh Arbitrator: Fred L. Woodworth

This meeting called in lieu of previous meeting, minutes of which have just been read to you and on which a decision had not been reached regarding the case of the Mecca Palace Theatre Co., of Saginaw, against the Metro-Goldwyn Distributing Corporation.

This case was heard by the Joint Board of Arbitration, Friday, September 17th and resulted in a tie vote which necessitated the services of a seventh arbitrator in order to arrive at a decision in the case.

This meeting was called to order by the chairman Mr. E. E. Kirchner. The Exhibitors having their usual arbitration board. The Exchange having their usual arbitration board with the assistance of the attorneys for Metro-Goldwyn Distributing Corporation, namely Charles Beecher Warren.

At this time the question came up as to whether the Exchange had the right to bring in an attorney to sit on the case but upon investigation found that according to the by-laws this is permissible but also in these same rules and regulations "the Board is given the right to adopt its own rules and procedure of practice. It was then decided to

leave the matter to the seventh arbitrator as to whether this attorney should sit on the case or not with the result [fol. 1175] that Mr. Warren be permitted to defend the case. The plaintiff to have the same right and Atty. Leo Mellen was called to represent or protect the interest of the exhibitor.

The case was then presented to the Board by Mr. Richey who explained under a contract dated June 23rd, 1926, Mr. Carlisle of the Mecca Palace Theatre Company (which contains the Uniform Exhibition clause) that they were to have the picture "The Big Parade" for showing and that same had not been delivered according to the terms of the contract and that the Mecca Palace Theatre Company is asking that the picture "The Big Parade" be furnished on or before September 26th, 1926, or pay him damages for not delivering the picture to him.

Mr. Carlisle's contention is that Metro-Goldwyn Distributing Corporation are attempting to unfairly hold up "The Big Parade" because of the fact he bought it at the low price of $400.00, that after the picture was sold Metro-Goldwyn Distributing Corporation discovered it was a big picture and after they had taken a contract from Mr. Carlisle they entered into another contract with J. J. McCarthy of New York to road show the picture. That to prove this was their intention Met Goldwyn thru J. J. McCarthy attempted to get Mr. Carlisle to relinquish his rights fo- the first showing of this picture in Saginaw, which he refused to do but did make them a counter-proposition that if they would give him the road showing of the picture in Saginaw this Spring he would allow the contract he holds to stand as a second run contract. This was never done.

Mr. Carlisle contends he played all the pictures ready for him on the Metro Goldwyn contract even ahead of schedule and that "The Big Parade" is made and ready for his use but is being held out by Metro Goldwyn knowing that Mr. Carlisle will go out of business October 1st and that it is impossible for him to play it.

Mr. Carlisle contends that the picture has been released and that he has a just claim in demanding the picture. That Metro-Goldwyn have not hesitated in asking him for play dates on every other picture on the contract and even going so far as to ask for play dates on pictures they could not

deliver. The fact that they have played the picture as a road show in the state is positive proof they can deliver the picture if they want to do so.

According to the terms of the contract, Mr. Carlisle wired Metro Goldwyn August 30th, 1926 asking for exhibition dates on "The Big Parade" for four days, date to start not later than September 27th, 1926.

September 16th Mr. Carlisle received a telegram from Metro Goldwyn offering "Bardleys the Magnificent" for showing September 26th, not another wire being sent to other exhibitors offering this picture, which further goes to show they were simply trying to hold up Mr. Carlisle in offering this picture "Bardleys the Magnificent" a notice of ten days availability is not according to the terms of the [fol. 1176] contract and again shows they were not acting in good faith.

Mr. Richey at this time brought out the fact that in all the history of the business, never before where an exhibitor is disposing of this Motion Picture business have all contracts been played and paid for an unusual record, and Mr. Carlisle has played and paid for every contract with Metro Goldwyn. He has played every picture on this contract with the exception of eight, which have not been made or released, in accordance with the terms of the contract and he feels he is justly entitled to the picture or damages.

Also to further show that Metro Goldwyn is trying to avoid furnishing the picture to Mr. Carlisle, the picture is now booked and Mr. Carlisle has an affidavit from Mr. Walters (Custodian-Auditorium) to show this picture in the Auditorium at Saginaw as a road show January 16th, 1927, which further goes to show the picture is available and can be furnished if they desire to do so.

The Mecca Palace Theatre Company has a lease or property right to the first run in the "Big Parade" in Saginaw and when Metro Goldwyn sold this right to others, they sold the property of the Mecca Palace Theatre Company which they had no right to do and which is breach number one of the contract.

Mr. Carlisle contends that the picture is released, that it is being used for road showing and is available and that the picture should be furnished to him according to the terms of the contract.

Mr. Richey in presenting the case for Mr. Carlisle, contends that if the picture is not furnished to Mr. Carlisle according to the terms of the first run contract that he should be allowed damages, that the amount could be determined by his gross receipts on other pictures and he thinks a fair estimate would be approximately $2,000.

Mr. Chas. B. Warren, attorney for Metro Goldwyn, contends that Metro Goldwyn have not violated their contract in that the picture has never been released to any motion picture house, that the picture is being used for a road show and that as soon as the picture is released for the Motion Picture houses that Mr. Carlisle is entitled to the first run in Saginaw of "The Big Parade" and should have it at that time, admitting that he (Mr. Carlisle) was entitled to the picture for the first run.

That when they do release the picture for the Motion Picture houses they are bound to release it to Mr. Carlisle under the terms of the contract, operating the Mecca Palace Theatre Company. That is picture "The Big Parade" has not been released to any Motion Picture House in the United States.

That the contract is dated June 23, 1925 but that the contract does not terminate until November 1st, 1926, and if the picture is released for a motion picture house, then the Mecca Palace Theatre Company has the right for the first run in Saginaw. That Mr. Carlisle has no claim on this [fol. 1177] contract because the time in which the exhibitor can play this picture has not expired—that there is no bases for a law suit. Picture has not been released. That it is written in the contract from November 1st, 1925 for one year, that this theatre will still have the right to show this picture if same is released to Motion Picture houses.

Mr. Warren then calls attention to the clause in the contracts which reads as follows: "If any of the said photoplays shall be released by the Distributor after the period above specified, the Distributor shall be obliged to deliver such photoplays to the exhibitor hereunder as though released within said period, and the exhibitor agrees to accept, pay for, and exhibit them at such later date persuant to the terms hereof."

Mr. Warren then makes the plea that the picture has never been released and goes further and calls attention to

another clause which reads as follows. "The Exhibitor further agrees that beginning on each of the dates listed in schedule "G" and extending for the period set forth in schedule "C" it will exhibit one of the photoplays scheduled above, etc." this was in reference to the play #610 "Bardlays The Magnificent" which had been added to Mr. Carlisle for showing September 26th giving him just ten days to set in the picture which is a direct violation of the contract but Metro Goldwyn contends this was done to help Mr. Carlisle out at this time.

Mr. Warren then called the attention of the Board of the fact that the Exchange in road showing the picture in the manner they did with the advertising that was done, helped the exhibitor that much more when the picture was booked for his motion picture house and therefore would tend to increase his receipts, that it would help his business just that much more.

That the exhibitor cannot pick out just the picture he wants on the contract and the date he wants it but that is left up to the distributor.

Mr. Warren then refers to the affidavit of Mr. Walters of Saginaw and makes the remark that "no such contract was ever made with Metro Goldwyn that if it was made, it was made in an unfair manner and would not be carried out."

That this is an attempt to force the release of this pictue to the Motion Picture houses in place of the other class which it had been released to and Metro Goldwyn do not intend to release it until they get it ready and want to release it to the motion picture houses and when they do they must release it to the Mecca Palace Theatre Company in Saginaw—first run.

That they offered to furnish the picture for September 26th which has never been exhibited in Saginaw which is #610 "Bardleys the Magnificent" and Mr. Warren again refers to the clause in the contract "The exhibitor further agrees that beginning on each of the dates, etc."

[fol. 1178] That the statement was made which would tend to show that all of the pictures have been released except "Big Parade." There are eight pictures which have not been released other than "The Big Parade." Two have already been made and one has been offered for release,

namely #610 "Bardleys the Magnificent" which has been offered to this house. Balance are in the process of making and this contract does not terminate until November 1s-, 1926.

Mr. Richey contends that there is nothing in the contract of the Mecca Palace Theatre Company that gives the distributor the right to roadshow this picture and Mr. Richey then calls the Board's attention to the road show clause which has been inserted in the new contracts but was not in the contract of Mr. Carlisle "at the suggestion of the advisory committee the distributors agreed in case they desired to provide for road showing of any picture contracted for they would adopt a standard road show clause to be printed in the contract in red ink." That no road show clause was in this contract and any road showing they have done would be done without the consent of the theatre owner affected. This contract is for the first run of the picture "The Big Parade" in Saginaw.

Mr. Warren contends second paragraph—clause one—is *ie* plain which he again quotes "If any of *siad* photoplays shall be released by the distributor after the period above specified, etc. that schedule G does not mean anything, that this is a schedule whereby Metro Goldwyn agrees to furnish so many pictures.

Mr. Richey calls attention to clause in contract which reads "The distributor shall give the exhibitor at least four weeks notice in writing of the date upon which each photoplay, the exhibition dates of which are not specified in column 7 of the schedule in this contract will be available, etc." That the picture "Bardleys the Magnificent" incident goes only to sho- the desire on the part of Metro Goldwyn to keep Carlisle from running this picture. Mr. Carlisle was in Metro Goldwyn's office and asked for the picture—had to send paper back—because they could not furnish the picture and the day before this case came up before the Board, tells him "Bardleys the Magnificent" is ready for his use. Metro Goldwyn violated their contract on this—they did not give Mr. Carlisle four weeks notice that he is entitled to.

Mr. Warren contends if the picture is released to Motion Picture houses before November 1st, 1926, then the dis-

tributor is bound to furnish it to Mr. Carlisle first run in Saginaw.

Mr. Richey contends this goes deeper; because of the fact that this would establish a precedent on the outside, that is the whole trouble. Mr. Carlisle has carried thru his part of the contract to the letter and is the first theatre owner to ever come before the arbitration board who has paid for and played his picture on all contracts exception ±610 Bardley the Magnificent who has or is going to dispose of his business.

[fol. 1179] Mr. Carlisle makes it very plain at this time that he has leased the Mecca Palace Theatre to Balban and Katz and that he has not sold his stock but just leased the theatre.

Mr. Richey then presented a letter from Pete Harrison which states "McCarthy was on the boat returning from Europe when the exhibitor signed the contract for 'The Big Parade.'" He landed in New York about June 27th.

Mr. Carlisle contends that if as Mr. Warren says Metro Goldwyn has a perfect right to road show the picture, why did they then try to get him to release the picture. Contract does not provide for two release dates.

Mr. Warren then again refers to the clause in the contract "The Exhibitor agrees that beginning on each of the dates, etc."

Mr. Mellen contends, inasmuch as the picture is being played before the public play house, that the picture is released and should be furnished to the Mecca Palace Theatre.

Award

Motion made by Fred L. Woodworth that the case of the Mecca Palace Theatre Company of Saginaw against the Metro Goldwyn Distribution Corporation be disallowed and the claim for damages dismissed.

Seconded by Mr. Elliott. Carried.

(Signed) H. M. Richey, (Secretary.)

[fol. 1180] 951-C

Detroit Film Board of Trade, Incorporated, 426-427 Insurance Exchange Building, Detroit, Michigan

Office of David Palfreyman, Secretary and Manager

Telephone: Cadillac 3804

Sept. 18, 1926.

Mr. Gabriel L. Hess, Gen'l Attorney, Film Boards of Trade, 469 Fifth Ave., New York City.

Dear Mr. Hess: Inasmuch as I understand that you have already been consulted in regard to the claim of the Mecca Palace Theatre, Saginaw, Mich., vs. Metro Goldwyn Mayer Distributing Corp. on The Big Parade, perhaps a brief report from me on the case would not be out of place. Excuse the typewriting, as I am pounding this out myself Saturday evening.

Mr. Carlisle has an old contract for a group of pictures including The Big Parade at $400.00, a joke price for the first run in Saginaw. The contract was entered into before the picture was made, on the Uniform Exhibition Contract in use by them in May, 1925, and containing an additional clause designated as Schedule G. This clause provides for the exhibition of the pictures listed on a certain schedule of specified dates listed in the clause, and that each of the pictures shall be considered as definitely dated in accordance with this schedule for the purposes of that contract, the pictures "to be designated by the distributor."

The exhibitor played the pictures released under the contract down to August of this year, and at that time had played all of the subjects that had been released by Metro. He requested a picture for September, was advised that the branch here would try to get "The Temptress", bought advertising on it but was then advised that the picture would not be finished in time for his use. He then demanded the Big Parade, maintaining that it had been released, as it had played in Detroit and is now playing in Grand Rapids (as a road show.)

The claim came up for hearing last Monday, but I insisted on a postponement for two weeks, until the next regular meeting of the arbitration board, as I did not feel that we

had enough information from Metro's home office to present an adequate defense, but when they questioned our good faith in insisting on a postponement, we consented to hear it before a special meeting of the Board on Friday.

At the hearing it was brought out that either the Mc- [fol. 1181] Carthy or the Metro New York office had been negotiating with Carlisle for Carlisle himself to road show the picture in Saginaw and use this contract for the second run, that the negotiations had terminated when Carlisle was informed that they would not permit him to road show the picture before January, 1927. Both Carlisle and Metro are and have been aware of the fact that Mr. Carlisle has disposed of his interests in the Mecca Palace Theatre effective October 1st, 1926. That is why he insisted that the road show play there before that date, which Metro refused to permit. He, Carlisle, charges that Metro is deliberately trying to stall the delivery of the picture until after the Publix-Butterfield combination takes over the operation of the theatre, in order to defraud him out of a valuable contract, as he claims that when the deal for the theatre was made he thought he would have played the picture before the theatre was turned over, and that he agreed in the sale of the theatre to turn over all unplayed contracts, therefore he cannot go back and get anything for his property rights in this contract.

Then to make matters worse, without our knowledge of the fact, they produce testimony and evidence to prove that Metro about four weeks ago entered into an agreement for the road showing of the Big Parade at the Auditorium Theatre in Saginaw in January, 1927, depositing 10% of the rental of the theatre to hold the booking, apparently to be shown ahead of Carlisle's contract, which is for "first run in Saginaw" with 30 days protection over all other theatres in Saginaw. There, of course, were a lot of other heated arguments on the claim, but I think these are the essential facts. After a prolonged session we succeeded in tying it up in a tie vote, and a 7th arbitrator, Mr. Fred L. Woodworth, Collector of Internal Revenue in Detroit, has been called in to hear the claim Monday the 20th. Metro, today, arranged to have Mr. Charles Beecher Warren, of Warren, Cady, Hill and Hamblen, represent them Monday, and I have spent the afternoon in his office going over the claim.

Cordially yours, (Sgd.) David Palfreyman.

[fol. 1182] Ex. 951-E

(Copy)

Detroit Film Board of Trade, Incorporated, 426-427 Insurance Exchange Building, Detroit, Michigan.

Office of David Palfreyman, Secretary and Manager

September 22nd, 1926.

Mr. Gabriel L. Hess, Gen'l Attorney, Film Boards of Trade, 469 Fifth Avenue, New York City.

Dear Mr. Hess: Supplementing my letter of September 18th in regard to the claim of the Mecca Palace Theatre, Saginaw, Michigan, against Metro Goldwyn-Mayer Distributing Corporation on the "Big Parade", I note that I omitted to mention that while talking to Mr. Braunberg by long distance Thursday, I urged him to authorize the Detroit Branch to release their production "Bardleys, The Magnificent" to Mr. Carlisle, which he did and the Metro Goldwyn-Mayer Branch in Detroit advised Mr. Carlisle by wire Thursday that this picture would be available for his use September 26th. This was done to strengthen our contention that it was the exclusive right of the exchange to designate the picture to be used on any particular date in the schedule and which was presented to the Arbitration Board Friday in that manner.

At the hearing Monday, we had the six arbitrators that sat at the original hearing together with Mr. Woodworth, seventh arbitrator, and the entire claim was again presented to the Arbitration Board, each side being given an opportunity to be fully heard before the seventh arbitrator.

The exhibitor members and Mr. Richey objected violently to Mr. Warren representing Metro Goldwyn. We stood pat on the by-laws of the Arbitration Board, allowing any of the parties to be represented by counsel and finally won our point. Mr. Warren did not introduce any new evidence other than a wire and a letter from the J. J. McCarthy office received on Saturday, denying that there was or ever had been any contract for the road-showing of the "Big Parade" in Saginaw. This was introduced to refute their affidavit from the Custodian of the Auditorium in Sagi-

naw, that the picture was booked for showing in January, 1927.

Mr. Warren presented the entire defense for Metro Goldwyn in a more able manner than I was able to present it [fol. 1183] Friday, of course, but without any particular display of eloquence. The writer merely advising him on the points to bring out, and I do not think that his manner of presenting the defense should have been in any way objectionable to the Board. Mr. Carlisle got in touch with the Attorneys for the Exhibitors Association and had one of them come over and assist him in presenting the claim. The result of the hearing was that the complaint was dismissed by Mr. Woodworth, basing his opinion strictly on the contract.

This morning I received a letter from Mr. Richey's office, of which I am enclosing a copy. Prior to the hearing Friday, Mr. Richey was rather emphatic in his statements that if the case was not won by the exhibitors it would probably break up arbitration in this territory. After the hearing he was rather loud in making this statement. I do not think there was any reason whatever for the statement other than a feeling that I have had all along, that this was being used as a test case to force the release of the "Big Parade" on some thirty-five existing contracts held in this territory by members of their Association, that were entered into as part of a group of pictures sold in the spring of 1925, all the contracts being similar.

If such is the case, it looks on the face of it as though it was a matter that had been talked over by the exhibitors prior to the filing of the claim, and that consequently they did not enter the Arbitration Board with an open mind or any intention to decide the case on the evidence submitted at the hearing. This attitude on their part has been rather obvious on a number of previous claims, but inasmuch as the awards which they have been making did not appear to be unfair, we have never entered any objection to their attitude.

In Mr. Richey's letter he states that it would be impossible to have an experienced Arbitration Board for the meeting scheduled September 27th. Just what he means by an experienced Arbitration Board I do not know, unless he means another group of "Yes" men who will carry out his ideas in regard to the interpretation of contracts.

It seems to me that any intelligent exhibitor who has had

considerable experience in the operation of a motion picture theatre should be competent to serve as the exhibitor member of an Arbitration Board. While they are not supposed to be representing the exhibitor in their deliberations as a member of the Board, the fact remains that when an exchange goes before a Joint Board Arbitration on a [fol. 1184] complaint, they are being judged by three exhibitors and three of their direct competitors, which certainly gives all of the odds as far as frame of mind is concerned in favor of the exhibitor. No member of the Arbitration Board appointed by the Detroit Film Board of Trade since I have been Secretary, has ever sat on a complaint acting under any instructions from the Board or from the writer, or on any advice I have given them, as I have always insisted that they hear the complaints and decide them entirely on the facts as presented at the hearing and not on what they may hear on the street in talking with their friends.

It has been the practice of the Exhibitors Association for the last two or three years to use the Arbitration Board as a "political football", as on several occasions they have threatened to withdraw from arbitration in an attempt to force the Detroit Film Board of Trade to comply with some demand of theirs that had no connection whatever with arbitration work. This, I think, you are aware of as we have taken it up with you in the past. You will recall last spring, they withdrew from arbitration on account of the formation of the Credit Committee in accordance with the new rules and regulations sent out by your office. After correspondence with you, talking to you over the telephone and a visit from Mr. Wilkinson to Detroit, we compromised on a Joint Credit Committee, composed of Mr. Richey and myself. This arrangement has been rather severely criticised by some of the new members admitted to the Detroit Film Board of Trade recently, but I personally think that it has worked out satisfactorily during the period that it has been in effect.

Mr. Richey, I believe, intends to call upon you Friday after the fight at Philadelphia, and will, no doubt, go over this situation with you. Therefore, I am giving you this report in advance, so that you will know the other side of the story.

Yours very truly, Detroit Film Board of Trade, Inc.
(Signed) David Palfreyman, Secretary.

DP/MK.

[fol. 1185] 951-F

(Copy)

Detroit Film Board of Trade, Incorporated, 426-427 Insurance Exchange Building, Detroit, Michigan.

Telephone: Cadillac 3804.

Office of David Palfreyman, Secretary and Manager.

November 10th, 1926.

Mr. C. C. Pettijohn, Gen. Counsel, Film Boards of Trade, 469 Fifth Avenue, New York City.

Dear Mr. Pettijohn: As you know, we have been for some months without a Joint Board of Arbitration in Detroit, on account of the withdrawal of the Motion Picture Theatre Owners of Michigan members from the Arbitration Board. The last meeting of the Joint Board of Arbitration was held on September 13th and a number of claims have accumulated since that time, which we have been unable to hear.

In spite of the fact that the trade paper reports state that arbitration has been resumed in Minneapolis, Indianapolis, Texas and elsewhere, apparently no effort has been made by the local exhibitors association to appoint a new Arbitration Board. Mr. Richey informed me last week that Mr. Steffes was writing a new letter to Mr. Hays, outlining additional demands in respect to arbitration from the exhibitors, and that there would be no arbitration until these demands were complied with. A number of verbal statements have been given out by Mr. Richey of the demands that they were going to put through before arbitration would be resumed. Among other things that they are going to insist on is a Two Dollar ($2.00) fee to be paid by the party bringing each complaint, that this fee would be paid by the exhibitors for their members as it affected principally the exchanges.

I believe that their success in stopping arbitration in this territory is going to their heads. This belief is strengthened by the advice and statements coming from Richey's office that arbitration was liable to be broken up perma-

nently and is having its effect on the smaller exhibitors in this territory, in that they are beginning to disregard their contract obligations, pay no attention to notices of availability, requests for play dates, etc.

As you know, the specific reason for their withdrawal from arbitration in Michigan was the complaint and award from the Mecca Palace Theatre, Saginaw, against Metro Goldwyn-Mayer Distributing Corp. They seem to be under the impression that the award in this case was made against the best judgment of the exchange members of the Arbitration Board due to a technicality in the contract [fol. 1186] itself, and not based on their ideas of justice and equity.

This is not true. The statement has been repeatedly made that the exchanges admitted that the equities of the case were all with Carlisle. They did nothing of the kind, and every exchange manager I have talked with felt that the equities as well as the legal rights were both with Metro Goldwyn on this complaint. The things that they complain about primarily, that is, instructions to arbitration members advising them how awards should be made and agreements between themselves prior to the hearing of complaints are the very things that the exchange members have been most scrupulous about and the very things that the exhibitor members have freely indulged in.

In other words they assumed that our tactics are identical with their own and base their complaint accordingly. They have been loud in their proclamations that we could not secure any exhibitors to serve on the Arbitration Board without their consent, and that if we attempted to do so they would take the thing to court and break up the arbitration procedure permanently in Michigan.

The thing that I want to make clear in this report to you, is that the situation is steadily growing worse, and that it is getting to the point whereby in a very short time it is going to demoralize conditions in this territory, as the exchanges are already beginning to feel it.

Yours very truly, Detroit Film Board of Trade, Inc.
(Signed) David Palfreyman, Secretary.

DP MK.

[fol. 1187] 951-G

(Copy)

Detroit Film Board of Trade, Incorporated, 426-427 Insurance Exchange Building, Detroit, Michigan.

Office of David Palfreyman, Secretary and Manager.

Telephone: Cadillac 3804.

November 13th, 1926.

Mr. C. C. Pettijohn, Film Boards of Trade, 469 Fifth Avenue, New York City.

DEAR MR. PETTIJOHN: Received your night letter this morning and talked to Mr. Richey sometime this forenoon in regard to the resumption of the Exhibitors Association's participation in arbitration.

It seems that the two particular things that the controversy resolves itself into are the specific wording of a clause in the standard exhibition contracts and a clause in the Rules and Regulations relating to arbitration specified in the standard exhibition contract, namely:

First, article twentieth of the standard exhibition contract reads "The parties hereto agree that before either of them shall resort to any court to determine, enforce or protect the legal rights of either hereunder, each shall submit to the Joint Board of Arbitration, etc." This clause does not necessarily state that the sole purpose of the Joint Board of Arbitration is to "determine, enforce or protect the legal rights of the parties", but it implies as much and we have understood it to imply as much.

Second, the fifth paragraph of Rule 11, of the Rules and Regulations relating to arbitration, states "The Board of Arbitration shall not have power or authority to adopt or apply any rule which shall be at variance with any of the provisions of the Standard Exhibition Contract or any other contract between the parties or the rights and obligations of the parties thereunder." As we understand it the Joint Board of Arbitration derives its sole authority

to hear complaints and make awards from the standard exhibition contract and the Rules and Regulations referred to. This clause in the rules as we interpret it, specifically prohibits awards being made contrary to any of the rights and obligations of the parties to the contract under which the complaint arises. The Arbitration Board, we have felt, had no jurisdiction over anything else and any such controversies not covered specifically in this manner, were subject solely to court action.

[fol. 1188] (Copy)

After a long discussion with Richey on the situation, it seems to me that this is the essence of the whole controversy. Richey states to me that there would be no more arbitration until a satisfactory answer had been received from Mr. Hays on the letter that he had sent him. By satisfactory answer he means a change in the entire arbitration procedure as covered by these two clauses, so that the Arbitration Board can make awards directly contrary to the standard exhibition contract, "where justice would not be met by adhering to the specific contract." This I take it means that where the clause of the contract is unfavorable towards the exhibitor, they expect the Arbitration Board to over-ride the agreement. In order to do this, it looks to me as though we would have to nullify this clause in the Rules and Regulations and perhaps the twentieth clause of the standard exhibition contract would need to be amended.

Richey states frankly that no arbitration will be participated in by their members until this is done. Of course, we would not attempt to nullify any of the clauses of the contract or of the Rules and Regulations without authorization from your office, therefore, we will take no further steps until we hear from you again.

Richey is leaving for Texas and told me that he didn't think it would be possible to start arbitration for two or three weeks yet. We will appreciate your further advice.

Yours very truly, Detroit Film Board of Trade, Inc.
(Signed) David Palfreyman, Secretary.

DP/MK.

[fol. 1189] 951-H

(Copy)

Detroit Film Board of Trade, Incorporated, 426-427 Insurance Exchange Building, Detroit, Michigan

Office of David Palfreyman, Secretary and Manager

Telephone: Cadillac 3804

November 16th, 1926.

Mr. C. C. Pettijohn, Gen. Counsel, Film Boards of Trade, 469 Fifth Avenue, New York City.

Dear Mr. Pettijohn: This will acknowledge your night letter of November 15th. Please do not misunderstand my previous correspondence as an attempt to rush you into a decision, or tell you how the questions that have arisen should be decided. They were intended merely as a report of the situation as it is developing out here.

A few days more delay, of course, will not make any particular difference, as we have gone over two months now without arbitration. We will inform you promptly of any new developments.

Yours truly, Detroit Film Board of Trade, Inc.
(Signed) David Palfreyman, Secretary.

DP/MK.

[fols. 1190-1192] 951-I

Charge to the account of Motion Picture Prod. & Dist. Corp., 469 Fifth Avenue, New York City.

Western Union

Day Letter

November 30, 1926.

Mr. David Palfreyman, Secretary Detroit Film Board of Trade, 426 Insurance Exchange Building, Detroit, Michigan:

Mr. Hays mailed reply to Richey yesterday stop please see Richey about Friday or Saturday of this week and try to arrange for your Arbitration Board to meet next week

stop if he refuses please call me by long distance phone advising what is best to do *do*. Regards.

[fol. 1193] 951-L

Indexed

December 3, 1926.

C. C. Pettijohn.

Mr. David Palfreyman, Secretary Detroit Film Board of Trade, Detroit, Mich.

DEAR MR. PALFREYMAN: In the Saginaw case involving "The Big Parade," did the seventh arbitrator render a written opinion? If so, send me a copy thereof. If no, send me a copy of the transcript of his remarks deciding the case.

Yours truly, Gabriel L. Hess, General Attorney.

[fol. 1194] Ex. 951-M

Detroit Film Board of Trade, Incorporated, 426-427 Insurance Exchange Building, Detroit, Michigan

Office of David Palfreyman, Secretary and Manager

Telephone: Cadillac 3804

December 9th, 1926.

Mr. Gabriel L. Hess, Film Boards of Trade, 469 Fifth Avenue, New York City.

DEAR MR. HESS: In reply to your letter of December 3rd in regard to the claim of Metro Goldwyn-Mayer Distributing Corporation versus the Mecca Palace Theatre, Saginaw, involving "The Big Parade," The only opinion rendered by the seventh arbitrator was merely a formal award stating that the complaint was dismissed. He did not make any comment at the open hearing on the complaint, and any comment that he made on the complaint must have been during the time that the seven members were considering the complaint in a closed session.

It has been our understanding and agreement in the Detroit Joint Board of Arbitration that after the testi-

mony is taken in arbitration cases and the Board goes into session to consider the making of the award and all other persons are excluded from the room, that their deliberations were to be strictly confidential so as not to give any reason for adverse criticism of any individual board member. This understanding was deliberately broken by the exhibitor members of the Board in this particular case, who gave out reports of the comment of the seventh arbitrator as well as alleged reports of the comments of one of the exchange members of the Board.

Yours very truly, Detroit Film Board of Trade, Inc. David Palfreyman, Secretary.

DP/MK.

[fol. 1195] 951-N

C. C. Pettijohn.

December 15, 1928.

Mr. David Palfreyman, Secretary Detroit Film Board of Trade, Detroit, Mich.

DEAR MR. PALFREYMAN: I acknowledge the receipt of your letter of December 9, 1926 addressed to Mr. Hess who will be absent from the office until January 12th.

I note your statement that the only opinion rendered by the seventh arbitrator in the claim of Metro vs. Mecca Palace Theatre, Saginaw, involving "The Big Parade" was merely a formal award stating that the complaint was dismissed, and that any comment that he made on the complaint must have been made during the time that the seven members were considering the complaint in a closed session.

In Mr. Hess' letter to you of December 3, 1926 he asked for a transcript of the remarks by the seventh arbitrator deciding the case, if no written opinion was rendered.

Please therefore let us have such a transcript. I can see that a record of the arguments during such closed session would not be feasible, nor practical, but I believe there should be some sort of an opinion giving the grounds for the arbitrator's decision.

Yours sincerely, C. C. Pettijohn, General Counsel.

[fols. 1196 & 1197] Ex. 951-O

Detroit Film Board of Trade, Incorporated,

426-427 Insurance Exchange Building, Detroit, Michigan

Office of David Palfreyman, Secretary and Manager

Telephone: Cadillac 3804

December 24th, 1926.

Mr. C. C. Pettijohn, Film Boards of Trade, 469 Fifth Avenue, New York City.

Dear Mr. Pettijohn: In reply to your letter of December 15th, perhaps I did not make myself quite clear in my previous letter in regard to the proceedings on the complaint of the Mecca Palace Theatre versus Metro Goldwyn-Mayer Distributing Corporation.

The procedure followed by the Arbitration Board in Detroit divides the consideration of the complaints into two sections, the first part being the hearing of the complaint itself, the presenting of evidence and arguments by the parties to the complaint. This is done in open public meeting and a record is kept of the proceedings through this section of the hearing. After the evidence and arguments are all in, the Arbitration Board then proceeds to the second part of the hearing. Everyone except the six members of the Arbitration Board leave the room. The case is then discussed by these members and the award is made, but no record is kept of the discussions during this part of the proceedings.

The Arbitration Board is not in the habit of rendering an opinion setting forth the reasons for making the award. In this particular case the usual procedure was followed and the seventh arbitrator did not make any comment during the first part of the proceedings, although he asked a number of questions. In the second part of the proceedings all seven of the arbitrators went into closed session, with no one else in the room. Therefore, no transcript was made of any remarks by the seventh arbitrator when they were deciding the case, nor did he render any opinion other than

the award itself which merely stated that the complaint was dismissed.

Yours very truly, Detroit Film Board of Trade, Inc.
David Palfreyman, Secretary.

DP/MK.

[fol. 1198] 951-P-2

C. C. Pettijohn.

December 28, 1926.

Re Saginaw, Mich. Case, "The Big Parade"

DEAR MR. GROSVENOR: In this case the exhibitor had sold his theatre to Paramount who was to take possession within thirty to sixty days. The exhibitor wanted to play all the best pictures he could before turning over the theatre, and make as much money as possible before that date. He called upon Metro-Goldwyn for the delivery of "The Big Parade" which had been shown only in Detroit, as I remember the facts, and had not been released first run for the balance of the State.

Metro-Goldwyn offered them another Metro-Goldwyn picture which was ready for release in that territory, but which the exhibitor refused. I think the seventh arbitrator based his decision on the theory that the exhibitor could not, under the contract, dictate what picture he was to play next, and compel Metro-Goldwyn to deliver a picture that was not ready for release in the smaller localities when they had other Metro-Goldwyn pictures that were available and ready for such release.

Nobody disputes the fact that this exhibitor was trying to play all the "cream" before he turned his theatre over to Famous Players, but his contract had no clause in it providing which days he could demand "cream," and which days only "Grade-A Milk."

C. C. P.

[fol. 1199] Ex. 952

Sept. 4, 1926.

Motion Picture Theatre Owners of Mich., Wolverine Hotel,
Detroit, Michigan.

Attention Mr. E. S. Kinney

GENTLEMEN: This will acknowledge receipt of your letter dated Sept. 3rd, advising that Mr. C. C. Carlisle of the

Mecca Theatre, Saginaw, has filed a claim against this office, said claim scheduled to be heard by the Joint Board of Arbitration Monday, Sept. 13th at 1:30 P. M., at the Hotel Wolverine.

Due to the resignation of Mr. L. Sturm on Sept. 1st and the appointment of the writer to the position of Branch Manager of this office, I am compelled to ask for a postponement of this case until such a time as the necessary data can be forwarded to us by our New York office in order that we may properly present our defence.

Yours very truly, Metro-Goldwyn-Mayer Dist. Corp.
—— ——, Branch Manager.

FJD:GC.

Detroit Film Board of Trade, Inc., 302-6 Film Exchange Building, Detroit, Michigan.

[fol. 1200] Ex. 954

Motion Picture Theatre Owners of Michigan, Inc., Hotel Wolverine, Detroit, Michigan

Phone: Cadillac 3470

September 21st, 1926.

H. M. Richey, General Manager; B. S. Kinney, Assistant to General Manager; P. M. Sprott (Miss), Secretary to Mr. Richey.

Officers: A. J. Kleist, Jr., Pontiac, President; E. E. Kirchner, Detroit, Vice-President; H. T. Hall, Detroit, Secretary; J. E. Niebes, Detroit, Treasurer

Board of Directors: Roy Adams, Mason; Harry Angell, Adrian; W. S. Butterfield, Detroit; C. Q. Carlisle, Saginaw; G. A. Cross, Battle Creek; Fred DeLodder, Detroit; J. R. Denniston, Monroe; Harry Eiseman, Flint; Ruby Fisher, Detroit; W. S. McLaren, Jackson; C. W. Porter, Detroit; J. C. Ritter, Detroit; P. C. Schram, Kalamazoo; G. W. Trendle, Detroit; G. L. Willer, Grand Rapids

Board of Trustees: J. C. Ritter, Detroit; A. J. Kleist, Jr., Pontiac; W. S. McLaren, Jackson; J. R. Denniston, Monroe; G. A. Cross, Battle Creek

Congressional Legislative Committee: G. W. Trendle, Chairman; District 1: G. W. Trendle, Detroit; District 2: W. S. McLaren, ackson; District 3: P. C. Schram, Kalamazoo; District 4: H. S. Robbins, South Haven; District 5: W. S. Butterfield, Grand Rapids; District 6: A. J. Kleist, Pontiac; District 7: G. A. Cross, Battle Creek; District 8: C. Q. Carlisle, Saginaw; District 9: P. J. Schlossman, Muskegon; District 10; W. C. Watson, Bay City; District 11: T. P. Tyrell, Boyne City; District 12: H. S. Gallup, Marquette; District 13: J. C. Ritter, Detroit

Mr. David Palfreyman, Film Board of Trade, Insurance Exchange Bldg., Detroit, Michigan

Dear Mr. Palfreyman: Owing to the fact that all of the regular exhibitor members of the Arbitration Board have resigned because of the attitude evidenced September 17th, 1926, by your members, Messrs. North, Elliott, and Saxe; it will be impossible for me to have an experienced Arbitration Board for the meeting scheduled for Monday, September 27th, 1926.

It will no doubt be some time before I am successful in securing a competent Board and schooling them in the legal aspects of the contract and consequently I felt that I should notify you at the earliest possible moment.

With kindest personal regards, I am,

Sincerely yours, M. P. T. O. of Michigan. H. M. Richey, Manager.

[fol. 1201] Ex. 958

October 5th, 1926.

Mr. Gabriel L. Hess, Gen'l Attorney, Film Boards of Trade, 469 Fifth Avenue, New York City.

Dear Mr. Hess: In reply to your letter of September 29th, on Mr. Richey's return to the City I had a long talk with him and I gathered from his conversation that he himself is not in favor of discontinuing arbitration, at least that is the way that he put the proposition up to me. He

promised to have a meeting of the Arbitration Committee of the Exhibitors Association, consisting of Messrs. Kirchner, Ritter, Hall and Nevis, who also constitute their regular Arbitration Board, on Monday but he was unable to do so on account of the illness of Mr. Kirchner who is Chairman of this Committee.

After talking to Mr. Richey I have come to the conclusion that the whole thing is pre-convention propaganda. I recall that each year since I have been in the Film Board in Detroit, a controversy has been started between the Exhibitors Association and the Film Board of Trade over some so-called vital issue just before the annual convention of the Michigan Exhibitors Association. This is obviously done for the purpose of working up interest in the convention and getting a large attendance of their members to come to the convention.

I just received a copy today of Harrisons Reports for October 2nd with a lengthy article printed by Mr. Richey that is very misleading and one-sided. You have, no doubt, read the same article and it quotes and article that will appear in the Michigan Film Review. I received information that this article had been submitted to the Michigan Film Review for publication prior to the time that the magazine went to press and got in touch with Mr. Jacob Smith, Publisher of this magazine, and used a little influence to have the article killed.

About two years ago, on account of the attempt to criticize the members of the Arbitration Board personally for an award that did not suit one or other of the parties to the controversy, we adopted a strict rule in the Joint Board of Arbitration that the deliberations of the Board itself after the hearing had been held on the complaint and during which time they made the award were to be held strictly confidential; that the votes on the motions for making the awards were to be by ballot. This was done to prevent anyone on the outside from singling out a particular member of the Board and criticizing them for the award that was made.

[fols. 1202–1204] It seems to me that it was bad faith on the part of the exhibitor member of the Board referred to in the article, in giving out for publication any discussion

of the exchange members during their consideration of this complaint. That was the reason why I objected to have the article published in the Michigan Film Review. Of course, there are a number of points in the article in Harrisons Reports that are wrong and a number of places where they deliberately attempt to mislead anyone reading the story in regard to what actually happened on this complaint, but I have refrained from giving out any information on the matter to the local trade paper as I did not want to enter into a public debate with the Exhibitors Association and prolong the controversy.

Do you think it would be advisable to issue an official statement on this matter? Personally, I do not think so but if you feel that a reply should be made I will be glad to write out such an article and submit it to you for revision before publication.

Under the present circumstances and the time that is required to schedule in complaints, it is quite probable that no meeting of the Arbitration Board can possibly be held before the Exhibitors Association's meeting in Battle Creek on the 19th and 20th. I will let you know the result of my conference with the Exhibitors Arbitration Committee as soon as Richey is able to get them together.

Yours very truly, Detroit Film Board of Trade, Inc. —— ——, Secretary.

DP/MK.

Detroit Film Board of Trade, Inc., 302-6 Film Exchange Building, Detroit, Michigan.

[fols. 1205 & 1206] GOVERNMENT'S EXHIBIT 12.

Omaha Film Board of Trade Arbitration Case

[fol. 1207] Universal Film Exchanges, Inc., 1513 Davenport St., Omaha, Neb.

November 7th, 1927.

Address all replies to the Office sending this letter and refer to ——.

Miss Rosemary Foley, Sec'y Omaha Film Board of Trade, Medical Arts Bldg., Omaha, Nebr.

DEAR MISS FOLEY: We hereby claim that Mr. C. J. Layton, operating the Community Theatre at Havens, Nebraska has failed to abide by the terms of the contract signed May 5th, 1925, calling for fifty two weeks of COMPLETE SERVICE. After furnishing eleven weeks of service from this contract we were forced to hold up shipments on account of Arbitration Award given another Exchange. We were notified on July 29th, 1927, that Mr. Layton had complied with the award and that his theatre was open. On receipt of this information we wrote Mr. Layton requesting dates on the balance of our contract. We have also written the Exhibitor since that time without a reply.

We therefore wish to place claim for immediate dates on the contract.

We respectfully request that the above named exhibitor be notified of this claim and if it is disputed or if the exhibitor fails to make answer thereto acceptable to us we desire that it be scheduled for hearing and determination before the Board of Arbitration not later than November 21st.

Very truly yours, Universal Film Exchanges, Inc.
(S.) H. J. Chapman, H. J. Chapman, Manager.

HJC/RM.
Exhibit # 24, PW., 5/14/28.

[fol. 1208] Nov. 7, 1927.

Mr. C. J. Layton, Community Theatre, Havens, Nebr.:

Attached hereto is a letter which we have received today from the Universal Film Exchanges, entering complaint against you.

Please answer at your earliest convenience, if the facts claimed by the distributor are true.

Yours very truly, Joint Arbitration Board. ——
——, Secretary.

RF/MW.
Exhibit #25, PW., 5/14/28.

[fol. 1209] Nov. 9, 1927.

Mr. H. J. Chapman, Universal Film Exchange, 1513 Davenport Str., Omaha, Nebr.

DEAR MR. CHAPMAN: In response to the complaint which you filed against the Community Theatre, at Havens, Nebr., I have today received the following letter signed Community Theatre.

'DEAR SIR: In regard to the contract with Universal Film Co., I did not refuse to accept any pictures sent by them, but on Jan. 13, 1926 they suspended Service to me for which I was not to blame. Their contract expired Oct. 31, 1926 so I do not have any contract with them. I did not close the theatre as they stated nor did I notify them of any opening on July 29, 1927. Not having any contract with them I have gone ahead and contracted other pictures which I am playing at this time as anyone else would have done. I was fair with them in all the contracts I have had with them and expect them to be the same with me and as their contract has expired and I have not renewed it, I do not feel under the conditions that I am doing anything but what is right to all.'

Yours truly, Community Theatre.

Please advise me if you still wish the complaint taken before the Arbitration Board for hearing on Nov. 21st.

Yours very truly, Omaha Film Board of Trade.
—— ——, Secretary.

RF/MW.
Exhibit #26, P. W., 5/11/28.

[fol. 1210] Nov. 14, 1927.

Mr. C. J. Layton, Community Theatre, Havens, Nebr.

DEAR MR. LAYTON: The complaint against you on Nov. 7th, 1927 will come before the Joint Board of Arbitration for hearing on Nov. 21st, at 10:00 A. M. at the office of the Omaha Film Board of Trade, Medical Arts Bldg., #1. Mezz Floor, at which time you are requested to appear and present any evidence you may have to offer.

If you cannot appear personally, we suggest that you send in the evidence, which will be returned to you immediately after the hearing.

Yours very truly, Omaha Film Board of Trade.
—— ——, Secretary.

RF/MW.

c. c. Universal F.

Exhibit # 27, P. W., 5/14/28.

[fol. 1211] City: Omaha.
State: Nebraska.
County: Douglas.

In the Matter of the Arbitration of Universal Film Exchanges, Distributor, and C. J. Layton, Community Theatre Exhibitor, Havens, Nebr.

We the undersigned arbitrators, having been duly appointed to arbitrate the matters in controversy existing between the above named Distributor and Exhibitor as by the provisions of the contract between said Distributor and said Exhibitor provided (or by the conditions of their submission in writing executed by said Distributor and Exhibitor respectively and sealed with their respective seals and duly acknowledged) and after having taken the oath and after hearing the proofs and allegations of the said parties and due deliberation having been made we do hereby award, determine and order: that is to say:

(Here express in clear and precise terms the award so that nothing shall be left uncertain. The award should be final in its terms so as to terminate the controversy.)

This is the case of Universal Film Exchanges and C. J. Layton operating the Community Theatre, Havens, Nebr.. On May 5th, 1925 Universal Film Exchanges and C. J. Layton operating Community Theatre, Havens, Nebr. entered into contract for certain pictures which this exhibitor has failed to show. On Nov. 7th Mr. Layton was notified of complaint filed by Universal Film Exchanges and on Nov. 14th, by Registered Mail of hearing set for Nov. 21. Mr. Layton failed to appear but answered. Mr. Chapman

appeared for Universal Film Exchanges. Upon considering the facts in testimony as offered, this board orders that Universal Film Exchanges be given an award against this exhibitor and that the exhibitor be held as in the terms of contract, and that he be given 14 days to comply with this award, also that Universal Film Exchanges furnish good prints for any of the pictures on the contract in dispute and in bad condition. Upon the failure of the exhibitor to fully comply with this award within 14 days from the date thereof the sum of $50.00 is hereby fixed as the maximum amount which each distributor, a member of the Omaha Film Boards of Trade, having a contract with the exhibitor may demand pursuant to the provisions of the Arbitration Clause contained therein as security for the performance by the exhibitor of each such contract.

In witness whereof we have subscribed this award this 21st day of November, 1927

Phil Monsky (L. S.), E. A. Bell (L. S.), Albert Danke (L. S.), W. H. Creal (L. S.), F. N. Houston (L. S.), C. E. Williams (L. S.).

State of Nebraska,
County of Douglas:

[fol. 1212] On this 21st day of November, 1927, before me, a Notary Public in and for said County and State, personally appeared Phil Monsky, E. A. Bell, Albert Danke, W. H. Creal, F. N. Houston, C. E. Williams, known to me to be the individuals described in and who executed the foregoing instrument, and they duly acknowledged to me that they executed the same.

(S) B. M. Foley, Notary Public. My commission expires ——— —, ———. (Seal.)

Exhibit #28, P. W., 5 14 28.

[fol. 1213] Service Report Data

Date: 12/10/27.

Community Theatre, —— ——, Owner. C. J. Layton, New Owner.

Town & State: Havens, Nebr.

Distributor	Serving	Cont. date	Signed by	Features	Comedies	Rcvd.	Mailed	Not O. K.
Educational	...	...	...	...	...	...	...	....
Enterprise	...	...	...	...	...	...	...	....
Famous Players.	...	...	...	...	...	...	...	....
F. B. O.	...	...	...	...	...	...	...	....
First National..	...	...	...	...	...	286.00	12/10	12/17
Fox Film Corp...	...	...	...	...	...	...	...	....
Liberty	...	...	...	...	...	...	...	....
Metro-Goldwyn .	...	...	...	...	...	...	...	....
Midwest Distb..	...	...	...	...	...	...	...	....
Pathe	...	...	...	...	...	...	...	....
Producers Distb.	...	...	...	...	...	...	...	....
United Artists..	...	...	...	...	...	...	...	....
Universal	...	...	...	...	...	$150.00	12/10	12/17
Vitagraph, Inc..	...	...	...	...	...	...	...	....

Complaint: Universal. Exchange: Omaha. Board: ——.
Mailed 12 10. Effective 12 17. Complied ——.
Remarks: ——.
Credit committee: ——.
Theatre sold. New owners assumed Universal contract.

Exhibit =29, P. W., 5 14 28.

[fol. 1214] Des Moines Film Board of Trade, 519 Iowa Bldg., Des Moines, Iowa

Office of Secretary, Mary Benjamin

Phone: Market 2051

2/22/26.

Miss Clare Foley, Omaha Film Board of Trade, Omaha, Nebr.

Dear Miss Foley: Will you kindly notify all exchanges serving Lady Bosten, Amuzu Theatre, Muscatine to suspend service on March 1st, as this exhibitor has never complied with Premier Pictures Exchanges award.

This same award has been in force on his other three theatres for some time and now that he has again started to manage the Amuzu Theatre, we insist that this award be fulfilled. Do not fail to see that this is taken care of.

Yours very truly, Des Moines Film Board of Trade. (S.) M. Benjamin, Secretary, 1926 Muscatine, Ia. Des M. 63.

MB

Exhibit #21, P. W., 5/14/28.

[fol. 1215] February 26th, 1927.

Miss M. Benjamin, Secretary Des Moines Film Board of Trade, Des Moines, Ia.

Dear Miss Benjamin: With further reference to the Ottumwa, Iowa, situation, I have information that Producers are serving this theatre with a $250.00 deposit and that they are serving more pictures than the contract calls for, which is not according to the rules.

Mr. Flinn very definitely explained when he was here, as well as Mr. Pettijohn sometime ago, that when an exhibitor puts up a security on account of an arbitration award they are not to serve any more pictures than the contract playing arrangement. If the contract calls for two pictures per month then they could not serve more than two per month.

Please take this up with Producers and advise by return mail.

Yours very truly, Omaha Film Board of Trade. ——— ———, Secretary.

CF: RF.

From Ottumwa, Iowa. A. E. Pr—e. 1927 A. E. Files. Exhibit #33, P. W., 5/14/28.

[fol. 1216] S. P. Halfern, Counsel

March 20, 1926.

Mr. G. B. Wiggins, Minneapolis Film Board of Trade, 310 Film Exchange Building, Minneapolis, Minn.

Dear Mr. Wiggins: Will you kindly check up the following information which I have received in regard to the

Happy Hour theatre at Barke, South Dakota, Claude Yeager.

The Freidman Film Company, Minneapolis, served Helen's Babies—March 1st; Mine With Iron Door—March 7-8; Daring Youth—March 14-15; Good Bad Boy—booked for March 28-29.

First National played Flowing Gold—March 5-6; Dangerous Pastime—March 19-20; Choosing a Wife—booked for March 26-27.

This town is served by First National out of Omaha but the film was probably pirated in.

Film Booking Offices played a comedy March 12-13 and have one booked for March 26-27.

Also have information about the following pictures but do not know who distributes these pictures.

The Grouch—March 2nd—World Film; Charlie Chaplin Comedy—March 3rd; Hall Room Boys, Comedy—March 7-8; Woman of Lies—March 12-13—World Film; A Fool & His Money—March 21-22—Selznick; Hall Room Boys, Comedy—March 21-22; Rip Van Winkle—March 23-24—Hodkinson; Heart of a Girl—March 30-31—World Film.

I will appreciate it very much if you will give me any information you get on this.

Very truly yours, Omaha Film Board of Trade, by —— ——, Secretary.

F.

Exhibit #51, P. W., 5/14/28.

[fols. 1217-1219] Minneapolis Film Board of Trade, Inc., 310 Film Exchange Building, Minneapolis, Minn.

A. L. Watson, Secretary

Phone: Atlantic 5043

March 29, 1926.

Clare Foley, Secretary Omaha Film Board of Trade, Omaha, Neb.

Dear Miss Foley: Referring to Happy Hour Theatre, Burke, So. Dakota. As stated in your letter of Mar. 20th, Friedman Film Corp. have served several pictures to this account on a spot-booking basis. Their attention has been

called to the fact that this account is on List of Exhibitors who have failed to comply with Arbitration Board awards and they immediately suspended service. Film Booking Offices have also been advised to discontinue any further service, but we have not heard from them yet as to whether they have been serving.

We are sorry that Friedman Film Corp. allowed this to escape their attention and want to assure you that it was not an intentional violation on their part.

Very truly yours, Minneapolis Film Board of Trade, G. B. Wiggins, Secretary.

Exhibit #52, P. W., 5/14/28.

[fol. 1220] Des Moines Film Board of Trade, 210-11 Iowa Building, Des Moines, Iowa

Phone: Market 2051

August 11, 1927.

Dear Miss Foley: I have taken up with Famous Players the matter of serving the Opera House, Radcliffe, Ia. and shall advise you further.

With further reference to violations by members, will you please advise me what means you use in your Board to ascertain whether or not a member is serving a certain account?

I have been first writing and asking the exchange, but the answer seems invariably "no" and believe I shall start checking their shipping records, as there seem to be so many alleged violations.

Sincerely yours, (Initialed) A. C. L., Secretary.

Exhibit #40, P. W., 5/14/28.

[fol. 1221] August 12th, 1927.

Miss Littell: In response to your letter of August 11th, the procedure which I follow when checking exchanges for violations of credit or arbitration rules is as follows:

If I have a specific report that a certain exchange has violated, I go into their office, ask them if I may see their booking and shipping records and check to see if these show that the theatre has been served.

Usually the information can be gained by asking the booker.

However, if I have a general report that some exchange is serving I ask for service reports and check those at the same time getting information from people in the town where the theatre is located and the newspaper usually if there is one.

Yours very truly, Omaha Film Board of Trade.
—— ——, Secretary.

CF:RF.

Exhibit #41, P. W., 5/14/28.

[fols. 1222 & 1223] October 11th, 1927.

Mr. J. F. Erdman, Crest Theatre, Creston, La.

Dear Mr. Erdman: In going through my files I note that Producers Distributing Corporation (now Pathe-Producers) hold an award against you for $11.75, which was granted them when you were operating the Pastime Theatre, Logan, Iowa. You understand Mr. Erdman this award is enforceable at any theatre you may operate after the award is granted.

I trust this was an oversight on your part and that you will make necessary arrangements with Producers at once.

Thank you very kindly for your co-operation in this matter.

Yours very sincerely, Omaha Film Board of Trade.
—— ——, Secretary.

Complied 11/2 27. See Logan, Ia., Pastime file on this.

Exhibit #22, P.W., 5 14 28.

[fol. 1224] Complaint (Copy)

Nov. 20th, 1926.

Dear Sir: We attach hereto a contract entered into with Victor Newton, exhibitor, operating the Garden Theatre at Omaha, Nebr.

We respectfully complains against said exhibitor as follows:

(Here insert a plain and concise statement of facts.)

On the 21st day of November, 1925, L. S. Wagner entered into an agreement and signed a contract, #2613, for 37 pictures, total amount involved—$314.50. Several of the pictures have been played and paid for. The contract involved has been inactive, in lieu of the fact that records indicate the theatre has been closed. The defendant in this case, Victor Newton, called at our office in October, and the subject of playing the remainder of the pictures was called to his attention He advised that he had been in possession of the Garden Theatre since March, 1926. Since that time, he has played and paid for five (5) pictures, and records on file prove that Victor Newton, personally, purchased and signed for pictures May 15th, and played one of our pictures on this contract May 18th.

There are sixteen (16) subjects available for dating, on which we have repeatedly requested definite dates, but to no avail, and we desire that this exhibitor be required to immediately set dates on these subjects or pay for same, and to play and pay for the remaining pictures as they become available according to the terms of the contract.

The total amount involved on the sixteen (16) subjects is $141.50.

We desire you to advise the exhibitor of our claim, and if it is denied, or if the exhibitor fails to respond to your communication, or if an answer is received and it is not satisfactory to us, we desire our claim brought before the Board of Arbitration for determination.

Very truly yours, Producers Distributing Corporation, Distributor. Albert Danke, Mgr.

Exh. 270, P.W., 10/8/28.

[fol. 1225] Form No. 3

Board of Arbitration

November 29th, 1926.

Mr. Victor Newton, Garden Theatre, Omaha, Nebraska.

Dear Sir: On November 23, 1926, the Film Board of Trade here notified you of the claim against you by the Producers Distributing Corporation, Distributor based upon the facts set forth in such notice.

To this date you have not answered such claim.

Please, therefore, take notice that in accordance with your agreement with said Distributor the said film has been submitted to this Board of Arbitration for determination pursuant to the rules of Procedure and Practice now in force.

A hearing will be held at Film Board Office, in the City of Omaha, Nebraska, on December 6th, at 10 A. M. o'clock at which time you are respectfully requested to appear before this Board and you will then be given an opportunity to be fully heard and to submit such evidence as you have bearing upon said claim.

Yours very truly, Board of Arbitration, by —— ——, Secretary.

Newton had orig. 1st Nat. Newton signs.

Exh. 271, P.W., 10/8/28.

[fols. 1226-1239] In the Matter of the Arbitration of Producers Distb. Corp., Distributor, and Victor Newton, Operating Garden Theatre, Omaha, Nebr., Exhibitor

Enclosed herewith is a true copy of an award of the Board of Arbitration in the matter in controversy existing between the above named Exhibitor and Distributor.

Upon your failure or refusal to abide by and forthwith comply with the said award within — days the said Distributor, or any other Distributor with whom you have contracts on the uniform form, shall have the right to demand for their protection and as security for the performance by you of your existing contracts with said Distributor, and such other Distributors, an additional sum not exceeding Five Hundred Dollars ($500.00), under each such contract; and in the event of your failure to pay such additional sum within seven days after demand the said Distributor and other Distributors may by written notice to you suspend service under such existing contracts until such sum shall be paid or they may terminate such contracts with you.

Yours very truly, Joint Board of Arbitration. —— ——, Secretary.

December 8th, 1926.

Exh. 272, 10/8/28. P.W.

[fol. 1240] City: ——.
State: ——.
County: ——.

In the Matter of the Arbitration of Producers Distb. Corp., Distributor, and Victor Newton, Operating Garden Theatre, Omaha, Nebr., Exhibitor.

We, the undersigned arbitrators, having been duly appointed to arbitrate the matters in controversy existing between the above named Distributor and Exhibitor as by the provisions of the contract between said Distributor and said Exhibitor provided (or by the conditions of their submission in writing executed by said Distributor and Exhibitor respectively and sealed with their respective seals and duly acknowledged) and after having taken the oath and after hearing the proofs and allegations of the said parties and due deliberation having been made we do hereby award, determine and order; that is to say:

(Here express in clear and precise terms the award so that nothing shall be left uncertain. The award should be final in its terms so as to terminate the controversy.)

On Nov. 21st, 1925, Producers Distributing Corporation and Mr. L. S. Wagner, operating the Garden Theatre, Omaha, Nebraska, entered into a contract for certain pictures on which contract Mr. Victor Newton has played several pictures. This contract Mr. Newton has refused to complete. On Nov. 23rd Mr. Newton was notified of complaint filed by Producers and on Nov. 29 of hearing set for Dec. 6th. He failed to appear but answered. Mr. Danke appeared for Producers.

Upon hearing the facts and testimony as offered this Board orders that the exhibitor be required to set dates within 14 days to play or pay for one picture per week starting within 30 days.

Upon the failure of the exhibitor to fully comply with this award within seven days from the date thereof the sum of $250.00 is hereby fixed as the maximum amount which each distributor a member of the Omaha Board of Trade having a contract with the exhibitor may demand pursuant to the provisions of the Arbitration Clause con-

tained therein as security for the performance by the exhibitor of each such contract.

In witness whereof, we have subscribed this award this 8th day of December, 1926.

(Signed) A. Mendenhall (L. S.), W. C. Brimmer (L. S.), M. A. Levy (L. S.), W. H. Creal (L. S.), Charles Nepodal (L. S.), C. E. Williams (L. S.).

STATE OF NEBRASKA,
County of Douglas:

On this 6th day of December 1926, before me, a Notary [fols. 1241 & 1242] Public in and for said County and State, personally appeared A. Mendenhall, W. C. Brimmer, M. A. Levy, W. H. Creal, Charles Nepodal and C. E. Williams, known to me to be the individuals described in and who executed the foregoing instrument, and they duly acknowledged to me that they executed the same.

Clare D. Foley, Notary Public. (Seal.)

[fol. 1243] City: ——,
State: ——,
County: ——.

In the Matter of the Arbitration of METRO-GOLDWYN-MAYER DISTR, Distributor and VICTOR NEWTON, Operating Lyric Theatre, Pacific Junction, Iowa, Exhibitor

We, the undersigned arbitrators, having been duly appointed to arbitrate the matters in controversy existing between the above named Distributor and Exhibitor as by the provisions of the contract between said Distributor and said Exhibitor provided (or by the conditions of their submission in writing executed by said Distributor and Exhibitor respectively and sealed with their respective seals and duly acknowledged) and after having taken the oath and after hearing the proofs and allegations of the said parties and due deliberation having been made we do hereby award, determine and order; that is to say:

(Here express in clear and precise terms the award so that nothing shall be left uncertain. The award should be final in its terms so as to terminate the controversy.)

On April 13th, 1926 Metro-Goldwyn Distributing Corp. and Mr. Victor Newton operating the Lyric Theatre, Pacific Junction, Iowa, entered into contract for certain pictures which this exhibitor refused to perform. On April 6th Mr. Newton was notified of claim filed by Metro-Goldwyn and on April 14th of hearing set for April 25th. He failed to appear or answer. Mr. Hensler appeared for Metro-Goldwyn.

Upon hearing the facts and testimony as offered this board orders: that the exhibitor be required to play or pay for one picture per week beginning May 1st and in the event he sells the theatre the entire amount of the unfulfilled contract will become due immediately.

Upon failure of the exhibitor to fully comply with this award within seven days from the date thereof the sum of $175.00 is hereby fixed as the maximum amount which each distributor a member of the Omaha Board of Trade having a contract with the exhibitor may demand pursuant to the provisions of the Arbitration Clause contained therein as security for the performance by the exhibitor of each such contract.

(Printed) Upon your failure to fully comply with this award within — days from the date thereof the sum of — is hereby fixed as the maximum amount which each distributor a member of the Omaha Film Board of Trade or any Film Board of Trade having a contract with you, may demand pursuant to the provisions of the arbitration clause contained therein as security for the performance by the exhibitor of each such contract.

In witness whereof we have subscribed this award this [fol. 1244] 25th day of April, 1927.

H. J. Chapman (L. S.), W. C. Brimmer (L. S.), W. Bramson (L. S.), W. H. Creal (L. S.), Charles Nepodal (L. S.), C. E. Williams (L. S.)

STATE OF NEBRASKA,
County of Douglas:

On this 25th day of April, 1927, before me, a Notary Public in and for said County and State, personally appeared H. J. Chapman, W. C. Brimmer, W. E. Bramson, W. H. Creal, Charles Nepodal, C. E. Williams, known to me to be the individuals described in and who executed the foregoing

instrument, and they duly acknowledged to me that they executed the same.

Clare D. Foley, Notary Public. My commission expires —— — ——.

Exh. 286-A, P. W., 10-8-28.

[fol. 1245] In the Matter of the Arbitration of METRO-GOLDWYN-MAYER DISTB. CORP., Distributor, and VICTOR NEWTON, Operating Lyric Theatre, Pacific Junction, Iowa, Exhibitor

Enclosed herewith is a true copy of an award of the Board of Arbitration in the matter in controversy existing between the above named exhibitor and Distributor.

Upon your failure or refusal to abide by and forthwith comply with the said award within — days the said Distributor, or any other Distributor with whom you have contracts on the uniform form, shall have the right to demand for their protection and as security for the performance by you of your existing contracts with said Distributor, and such other Distributors, an additional sum not exceeding Five Hundred Dollars ($500.00), under each such contract; and in the event of your failure to pay such additional sum within seven days after demand the said Distributor and other Distributors may by written notice to you suspend service under such existing contracts until such sum shall be paid or they may terminate such contracts with you.

Yours very truly, Joint Board of Arbitration. ——, Secretary.

April 27th, 1927.

Exh. 286-B, P. W., 10-8-28.

[fol. 1246] Copy

June 29th, 1927.

Metro-Goldwyn-Mayer Distributing Corporation, Omaha, Nebraska.

GENTLEMEN: I am in receipt of the following letter from Victor Newton, Lyric Theatre, Pacific Junction, Iowa requesting a reopening of your case against him. Therefore, on Tuesday, July 5th at 10 A. M. this will be presented to the Board of Arbitration for them to decide whether or not they will reopen this case.

"While I was down in Missouri during a recent rainy spell, was unable to return to attend your meeting and pre-

sent my side of a most unjust claim made by Metro-Goldwyn-Mayer against me.

At this meeting, as you are no doubt aware, your Board rendered an award against me and I am asking that this case be reopened and that I be given an opportunity to present my side of this most unfair claim.

My defense of this claim, in a few words, is that after using Metro-Goldwn pictures for a few months, they discovered one day that my nearest competitor, Glenwood, Iowa held protection over me, and that I must run all pictures after being run there, and there is nothing in my contract, or nothing ever said until after I had run some fifteen pictures before Glenwood had run them.

As near as I can get at the facts from the Exhibitor at Glenwood, and by putting two and two together, these people discovered that they had a chance to take on a better account at more money, but had to give protection in order to get it, and they took a long chance on holding me or bluffing me into running the pictures second run.

Trusting that you will give me a chance to present this case in its true light at your next meeting, I am."

Yours very truly, Joint Arbitration Board. ——

——, Secretary.

Exh. 87, P. W., 10-8-28.

[fols. 1247-1254] Service Report Data

Date: 5/18.

Town & State: Pacific Junction, Iowa. Theatre: Lyric. Owner: Victor Newton.

Distributor	Serving	Cont. date	Signed by	Features	Comedies	Reed.	Mailed	Not O. K.
Educational	...	...	...	...	...	...	...	....
Enterprise	...	...	...	...	...	175	5/18	....
Famous Players	...	...	...	...	...	...	...	....
F. B. O.	...	...	...	...	...	175	5/18	....
First National	...	...	...	...	...	175	5/18	....
Fox Film Corp.	...	...	...	...	...	175	5/18	....
Liberty	...	...	...	...	...	...	...	....
Metro-Goldwyn	...	...	...	...	...	175	5/18	....
Midwest Distb.	...	...	...	...	...	...	...	....
Pathe	...	...	...	...	...	175	5/18	....
Producers Distb.	...	...	...	...	...	...	...	....
United Artists	...	...	...	...	...	175	5/18	....
Universal	...	...	...	...	...	...	...	....
Vitagraph, Inc.	...	...	...	...	...	...	...	....

Complaint: Metro. Exchange: Omaha. Board: $175. Mailed: 5/18. Effective: 5/25. Complied: ——.
Remarks: ——
Credit Committee: ——

Exh. 288, P. W., 10/8/28.

[fols. 1255-1267] Exh. 296, P W. 10/8/28.

Service Report Data

Date: 5/18.

Town & State: Pacific Junction, Iowa. Theatre: Lyric Owner: —— ——. New Owner: Victor Newton.

Distributor	Serving	Cont. date	Signed by	Features	Comedies	Rcvd.	Mailed	Not O. K.
Renown	...	...	...	...	...	$175	1/4/28	1/11/28
Enterprise	...	...	...	...	...	...	....	.....
Famous Players	...	...	...	...	...	...	....	.....
F. B. O.	...	...	...	...	...	$175	1/4/28	1/11/28
First National..	...	...	...	...	...	$175	1/4/28	1/11/28
Fox Film Corp..	...	...	...	...	...	...	....	.....
Liberty	...	...	...	...	...	...	....	.....
Metro-Goldwyn..	...	...	...	...	...	$275	1/4/28	1/11/28
Midwest Distb..	...	...	...	...	...	...	....	.....
Pathe	...	...	...	...	...	$250	1/4/28	1/11/28
Producers Distb.	...	...	...	...	...	...	....	.....
United Artists..	...	...	...	...	...	$200	1/4/28	1/11/28
Universal	...	...	...	...	...	...	....	... ..
Vitagraph, Inc..	...	...	...	...	...	...	....	... ..

Complaint: Metro. Exchange: Omaha. Board: ——. Mailed: 1/4/28. Effective: 1/11/28. Complied: ——.
Remarks: Deposit letters mailed again—Newton again operating threatre.
Credit Committee: ——.

[fols. 1268-1270] Exh. 309, P. W., 10/8/28

Service Report Data

Date: 1/4/28.

Town & State: Pacific Junction, Iowa. Theatre: Lyric. Owner: ——. New Owner: Victor Newton.

Distributor	Servig	Cont. date	Signed by	Features	Comedies	Reel.	Mailed	Not O. K.
Educational	...	...	...	...	...	$175	1/4/28	1/11/28
Renown	...	...	...	...	...	...	.....	.....
Famous Players	...	...	...	...	...	...	.....	.....
F. B. O.	...	...	...	...	...	$175	1/4/28	1/11/28
First National..	...	...	...	...	...	$100	1/4/28	1/11/28
Fox Film Corp..	...	...	...	...	...	...	.....	.....
Liberty	...	...	...	...	...	...	.....	.....
Metro-Goldwyn..	...	...	...	...	...	$275	1/4/28	1/11/28
Midwest Distb..	...	...	...	...	...	...	.....	.....
Pathe	...	...	...	...	...	$250	1/4/28	1/11/28
Producers Distb.	...	...	...	...	...	...	.....	.....
United Artists..	...	...	...	...	...	$200	1/4/28	1/11/28
Universal	...	...	...	...	...	...	.....	.....
Vitagraph, Inc..	...	...	...	...	...	...	.....	.....

Complaint: United Artists. Exchange: Omaha. Board: ——. Mailed: 1/4/28. Effective: 1/11/28. Complied: ——.

Remarks: Newton again operating theatre.

Credit Committee: ——.

[fol. 1271] Copy

City: ——

State: ——.

County: ——.

In the Matter of the Arbitration of UNITED ARTISTS CORP., Distributor, and VICTOR NEWTON, Operating Exhibitor, Lyric Theatre, Pacific Junction, Iowa, Exhibitor

We, the undersigned arbitrators, having been duly appointed to arbitrate the matters in controversy existing between the above named Distributor and Exhibitor as by the provisions of the contract between said Distributor and said Exhibitor provided or by the conditions of their submission in writing executed by said Distributor and Ex-

hibitor respectively and sealed with their respective seals and duly acknowledged) and after having taken the oath and after hearing the proofs and allegations of the said parties and due deliberation having been made we do hereby award, determine and order; that is to say:

(Here express in clear and precise terms the award so that nothing shall be left uncertain. The award should be final in its terms so as to terminate the controversy.)

On October 11th, 1926, United Artists Corporation and Mr. Victor Newton, operating the Lyric Theatre, Pacific Junction, Iowa entered into contract for certain pictures which this exhibitor failed to perform having sold his theatre. On July 11th, 13th and 16th he was notified of claim filed by United Artists and of hearing set for July 18th. He failed to appear or answer. Mr. McLucas and Mr. Abrose appeared for United Artists.

Upon hearng the facts and testimony as offered this Board orders that Mr. Newton be held according to the terms of the contract in the amount of $52.50. Upon failure of the exhibitor to fully comply with this award within 30 days from the date thereof the sum of $100.00 is hereby fixed as the maximum amount which each distributor a member of the Omaha Film Board having a contract with the exhibitor may demand pursuant to the provisions of the Arbitration Clause contained therein as security for the performance by the exhibitor of each such contract.

Upon your failure to fully comply with this award within — days from the date thereof the sum of — is hereby fixed as the maximum amount which each distributor a member of the Omaha Film Board of Trade or any Film Board of Trade having a contract with you, may demand pursuant to the provisions of the arbitration clause contained therein as security for the performance by the exhibitor of each such contract.

In witness whereof we have subscribed this award this 18th day of July 1927.

[fol. 1272] Harry Melcher (L. S.), W. E. Branson (L. S.), H. J. Chapman (L. S.), Charles Nepodal (L. S.), E. A. Harms (L. S.), W. H. Creal (L. S.).

STATE OF NEBRASKA,
County of Douglas:

On this 18th day of July, 1927, before me, a Notary Public in and for said County and State, personally appeared Harry Melcher, W. E. Branson, H. J. Chapman, Charles Nepodal, E. A. Harms, W. H. Creal known to me to be the individuals described in and who executed the foregoing instrument and they duly acknowledged to me that they executed the same.

Clare D. Foley, Notary Public. My commission expires —— —, ——.

(Two words in pencil here but they are illegible.)

Exh. 312, P.W., 10/8/28.

[fol. 1273] Form No. 5

Copy

In the Matter of the Arbitration of UNITED ARTISTS CORP., Distributor, and VICTOR NEWTON, Operating Lyric Theatre, Pacific Junction, Iowa, Exhibitor

Enclosed herewith is a true copy of an award of the Board of Arbitration in the matter in controversy existing between the above named Exhibitor and Distributor.

Upon failure or refusal to abide by and forthwith comply with the said award the said Distributor, or any other Distributor with whom your have contracts on the uniform form shall have the right to demand for their protection and as security for the performance by you of your existing contracts with said Distributor and such other Distributors an additional sum not exceeding $500, under each such contract; and in the event of your failure to pay such additional sum within seven days after demand the said Distributor and other Distributors may by written notice to you suspend service under such existing contracts until such sum shall be paid or they may terminate such contracts with you.

Yours very truly, Board of Arbitration, by —— ——, Secretary.

July 21st, 1927.

Exh. 312-A, P.W., 10/8/28.

[fol. 1274] Copy

Complaint

Dear Sir: We attach hereto a contract entered into with Victor Newton exhibitor, operating the Garden Theatre at Omaha, in the *City* of Nebraska.

We respectfully complain against said exhibitor as follows:

We wish to file claim for $42.50 covering the following unplayed contracts at the above Theatre; which Mr. Newton has sold: Mark of Zorro, Sally of the Sawdust, Waking Up the Town, Wild Justice.

We desire you to advise the exhibitor of our claim, and if it is denied, or if the exhibitor fails to respond to your communication, or if an answer is received and it is not satisfactory to us, we desire our claim brought before the Board of Arbitration for determination.

Very truly yours, United Artists Corporation, Distributor. J. S. Abrose, Sales Manager.

Copied by Miss Foley from W. A. file.

Exh. 313, P. W., 10/8/28.

[fol. 1275] City: Omaha.

State: Nebraska.

County: Douglas.

In the Matter of the Arbitration of

United Artists Pictures, Distributor, and Victor Newton, Operating Exhibitor, Garden Theatre, Omaha, Nebraska, Exhibitor

We, the undersigned arbitrators, having been duly appointed to arbitrate the matters in controversy existing between the above named Distributor and Exhibitor as by the provisions of the contract between said Distributor and said Exhibitor provided (or by the conditions of their submission in writing executed by said Distributor and Exhibitor respectively and sealed with their respective seals and duly acknowledged) and after having taken the oath and after hearing the proofs and allegations of the said parties and due deliberation having been made we do hereby award, determine and order; that is to say:

(Here express in clear and precise terms the award so that nothing shall be left uncertain. The award should be final in its terms so as to terminate the controversy.)

On September 18th, 1926, United Artists Corporation and Mr. Victor Newton, operating Garden Theatre, Omaha, Nebraska, entered into contract for certain pictures which this exhibitor failed to perform having sold his theatre. On July 11th, 13th and 16th he was notified of claim filed by United Artists and of hearing set for July 18th. He failed to appear or answer. Mr. McLucas and Mr. Ambrose appeared for United Artists. Upon hearing the facts and testimony as offered this board orders that Mr. Newton be held according to the terms of the contract in the amount of $42.50.

Upon failure of the exhibitor to fully comply with this award within 30 days from the date thereof the sum of $100.00 is hereby fixed as the maximum amount which each distributor a member of the Omaha Film Board having a contract with the exhibitor may demand pursuant to the provisions of the Arbitration Clause contained therein as security for the performance by the exhibitor of each such contract.

In witness whereof we have subscribed this award this 18th day of July 1927.

[fol. 1276] Harry Melcher (L. S.), W. E. Bramson (L. S.), H. J. Chapman (L. S.), Charles Nepodal (L. S.), E. A. Harms (L. S.), W. H. Creal (L. S.).

STATE OF NEBRASKA,
County of Douglas:

On this 18th day of July 1927, before me, a Notary Public in and for said County and State, personally appeared Harry Melcher, W. E. Bramson, H. J. Chapman, Charles Nepodal, E. A. Harms, W. H. Creal, known to me to be the individuals described in and who executed the foregoing instrument and they duly acknowledge to me that they executed the same.

Clare Foley, Notary Public. My commission expires ——, ——.

— from Film Board file.
Exh. 314, P. W., 10/8/28.

[fol. 1277] Copy

November 8th, 1926.

Newton & Leddy, Garden Theatre, Omaha, Nebraska.

GENTLEMEN: Would appreciate your figuring out dates for the pictures listed at the bottom of this letter.

These pictures were to have been played at the rate of two a month, starting November 1st, 1926.

We are endeavoring to get all undated pictures set in according to arrangement, and will appreciate whatever you can do for us.

Yours very truly, United Artists Corporation. D. V. McLucas, Asst. Manager.

Wild Justice, Hill Billy, Waking Up the Town, Sally of the Sawdust.

P. W. Copy from Miss Foley, 10/16/28.

Exh. 315, P. W., 10/8/28.

[fol. 1278] Please answer each question, sign and return to credit committee.

Omaha Film Board of Trade, Omaha, Nebr.

Date: —— — ——,

1. Name of Theatre: Lyric. Street Address: ——. City and State: Pacific Junction, Iowa.

2. Name of person, firm or corporation operating theatre (if individual, give full name; if partnership, name each partner; if corporation, state full corporate name and name of officers): E. L. Burright. Name of individual or individuals authorized to sign contracts: —— ——]

3. Is theatre owned or leased? Owned. If leased, state expiration date of lease, —— — ——, and name of lessee, —— ——. If owned, state name of owner. —— ——.

4. On what date was theatre taken over? 6/1/27. Place where and date of recording bill of sale: ——.

5. Days open per week: ——. Changes per week: ——. Sunday Shows: ——. Seating capacity of theatre:——. Admission prices: ——. Policy (state if motion pictures only; vaudeville and pictures; road shows and pictures): ——.

6. Condition of projection machines: ——. Make: ——. Model: ——. Year: ——. Number of Machines: ——.

7. Name theatres heretofore conducted, stating location of each: ——. (If answer to this question is "none", state nature of previous business and where conducted.) ——.

8. Bank references: ——

[fol. 1279] 9. Other references: ——.

10. Specify contracts for film service made by the previous owner and if they will be assumed and completed: No.

Name of Distributor	Date of Contract	Number of Pictures unplayed	Number of Pictures unplayed
Enterprise	None	1 feature	None.
F O B	"	26 features, 32 comedies	"
First National	"	21 features	"
Fox	"	47 features, 44 comedies	"
Metro-Goldwynn	"	22 features	"
Pathe	"	12 comedies, 52 news and 2-10 Episode Serials	
United Artists	"	4 features	"

The undersigned represents and warrants that the answers to the above questions are true and are made to induce the members of the above named Film Board of Trade to contract with the undersigned owner or lessee for the exhibition of motion pictures at this theatre.

Signature: E. L. Burright, Owner, Lessee. (Strike out one).

If the answer to question 10 is "yes", sign the following:

The undersigned hereby agrees to assume and fully perform each of the above listed contracts for film service at the above named theatre.

Signature: —— ——.

Exh. 316, PW., 10/8/28.

[fol. 1280] Exh. 317

Service Report Data PW., 10/8/28

First Nat'l.

Date: 6/4/27.

Town & State: Pacific Junction, Ia. Theatre: Lyric. Owner: Victor Newton. New Owner: Mr. E. L. Burright.

Distributor	Serving	Contract Date	Signed By	Feat-ures	Come-dies	Recd.	Mail-ed	Not o.k.
Educational								
Enterprise			Premier 1 contract					
Famous Players								
F. O. B.	241.00		V. Newton	26	32			Ok 6/6/27
First National	217.50		Victor Newton	21				Ok 6/6/27
Fox Film Corp.								
Liberty								
Metro-Goldwyn			Victor Newton	22				
Midwest Distb.								
Pathe	60.00		Victor Newton	12	2-10Ep. Ser 25 News			ok 8/2
Producers Distb.								
United Artists		Yes	V. Newton	4				
Universal								
Vitagraph, Inc.								

Complaint: ——. Exchange: ——. Board: ——. Mailed ——. Effective ——. Complied ——.

Remarks: ——.

Credit Committee: ——.

CC $150 CIR 6/27 CC 7/ $350 Ft. CC OK 10/25/27.

Back on CC list $250 FT 1/3/28.

[fol. 1281] Copy

November 10, 1927.

Cashier of the State Savings Bank, Pacific Junction, Iowa.

DEAR SIR: We will appreciate it greatly if you can give us some information, and if there is a cost for same, we will gladly remit, upon such advice from you.

We would like to know just exactly who owns the Lyric Theatre at Pacific Junction, Iowa. Is it Mr. Newton or Mr. Burright?

If you will give us this information and anything you know about what connection either of the gentlemen have with the theatre, it will be greatly appreciated.

If at any time we can reciprocate, do not hesitate to call on us. Your prompt reply will be appreciated.

Please advise us if there is a cost on this, and if there is, as stated above, we will gladly remit.

Yours very truly, Omaha Film Board of Trade.
Secretary, R. M. Foley.

Answer

GENTLEMEN: I am not sure that I can advise correctly as to the above inquiry. However, as I know it, Mr. Newton opened the theatre, then sold to Burright. After a time Burright closed his account with the Bank stating that he was letting the theatre go back to Newton, and Newton has been operating it since that time; the owner of the building has always looked to Newton for his rent.

Respectfully, W. A. Fisher, Cashier.

Exh. 318, P.W., 10/8/28.

[fol. 1282] March 4th, 1928.

Mr. Gabriel L. Hess, General Attorney Film Board of Trade, New York.

DEAR MR. HESS: I am indeed sorry that I was unable to get the details of the claims which Mr. Victor Newton has filed against the Omaha Film Board of Trade to you sooner. However, Mr. George B. Thummel, who is acting as Mr. Newton's Attorney, did not get his outline of the case to me until late yesterday afternoon. I thought it best to have this for you so that you would know exactly what Mr. Newton's charge against the Board covered. I also wanted to have the original file from Producers' Distributing Corporation, on whose award service was suspended. Since Producers have merged with Pathe it required several days for Pathe to locate this file.

I am attaching hereto the Producers file so that you may go through it thoroughly. This file contains the original contract, original complaint and copy of award made by the Board. From my own file I am attaching letter which Mr. Newton addressed to the Board answering the complaint filed by Producers. The following exchanges sus-

pended service on January 8th, 1926 after each had demanded a Two-hundred and fifth Dollar deposit: Columbia, Famous Players, Film Booking Offices, First National, Metro-Goldwyn, Pathe, Producers and United Artists. Educational Film Exchange asked for a deposit of $43.50 and suspended service as the other exchanges did on January 8th, 1926.

Mr. Albert Danke, who is now Branch Manager of Pathe, and who was then Manager of Producers, advised me yesterday that Mr. Newton had always operated the theatre and that Mr. Wagner had never actually owned same. I presume it was this fact that urged the Board to make an award against Mr. Newton on a contract signed by Mr. Wagner. I have nothing in my files which would indicate the Board's reason for making such a decision. However, Mr. Victor Newton has been a theatre broker around this territory for a number of years and I feel certain that the Board would not have taken such action unless they were firmly convinced that the contract was Mr. Newton's.

According to our records Mr. Victor Newton resumed possession of theatre on August 27th, 1926, which corresponds with his statements. There have been three changes of ownership at this theatre since Mr. Newton closed same.

When I called at Mr. Thummel's office for a copy of the cause of action he advised me that Mr. Newton had filed an additional claim, cause of action being substantially the [fol. 1283] same as the first claim. The second claim covers suspension of service to Mr. Newton at Pacific Junction, Iowa, where he operated the Lyric Theatre. Mr. Thummell did not have an outline of the second case ready. In this instance service was suspended on awards given Metro-Goldwyn and United Artists, but unlike the Omaha case the awards were given on contracts signed by Newton where there was no question as to another party operating theatre. I am attaching copy or original Metro complaint, original award and copy of letter which Mr. Newton addressed to this Board after first notice letters had been mailed by the following Exchanges: Enterprise, F. B. O., First National, Fox, Metro-Goldwyn, Pathe and United Artists. Each Exchange asked a one-hundred and seventy-five dollar deposit. These first notices were mailed but second notices were not sent out. Mr. Newton's letter of May

28th asked for rehearing of the case and in view of the fact that Miss Clare Foley was vacationing at which time the Board decided that the case should be reopened. Hearing was held that same day with Mr. Newton present in person at which time he was permitted to present all evidence and upon reconsideration the Board decided to let the award stand as written. Following this a Mr. E. L. Burright was supposed to have taken theatre over from Mr. Newton but upon information from the cashier of the bank at Pacific Junction that Mr. Newton was operating the theatre, service was suspended on January 1st, 1928. This suspension of service also covered United Artists' award dated July 18th, 1927. Letters were mailed by Educational —$175.00 deposit, F. B. O.—$100 deposit, First National—$100.00 deposit, Metro-Goldwyn—$275.00 deposit, Pathe—$250.00 deposit, United Artists—$210.00 deposit.

The Lyric Theatre at Pacific Junction has now been closed two weeks, Mr. Newton having run independent product since suspension of service. A gentleman by the name of Miller was in town Friday of last week advising he was going to take over this theatre. He called on exchanges who had service under contract with Mr. Newton and made arrangements with Metro-Goldwyn to take over part of their service which was satisfactory with Metro. This gentleman did not return to my office after his first visit, however, and I am inclined to believe he was merely doing investigating for Mr. Newton.

Mr. George Thummel, attorney for Mr. Newton, advises he will hold up action until he receives some word from you.

If you desire further information from this office please wire me. I am very anxious to know just what stand the Film Board should take in this matter.

Yours very truly, Omaha Film Board of Trade.
—— ——, Secretary.

Exh. 319. P. W. 10/8/28.
P. W., 10/15/28.

[fol. 1284] Prior to November, 1925, Victor Newton was the owner of a moving picture theatre in Omaha known as the Garden Theatre. On that date, he sold his entire in-

terest in the theatre to one L. J. Wagner for $5,000.00, giving a bill of sale and taking a mortgage back for half the price, the papers being duly recorded. Wagner was unable to successfully operate the theatre and, by agreement between them, Newton went into the theatre as Wagner's employee some time in 1926. In August, 1926, Wagner finally concluded that he would be unable to pay the balance of the purchase price and, by written instruments, on the 24th of August, resold the theatre to Newton and, from that date on, Newton was the owner of the theatre. In September, 1926, Newton sold a half interest to Thomas H. Leddy. Some time after Newton repurchased the theatre, the Omaha representatives of the Producers Distributing Corporation made demands on Newton to carry out contracts for pictures, which Wagner, in November, 1925, had entered into. Newton, and later Leddy, informed the Producers' representative that the contracts had not been assigned to them, nor had they agreed to carry them out; that they had not played any pictures under Wagner's contracts, and that they were not liable thereunder. Some pictures were played during the time that Wagner owned the theatre and Newton was operating it for him as his employee, but no pictures were played after title to the theatre was conveyed back to Newton in August, 1926. For a period of several weeks, threats were made by the representatives of the Producers' and several other companies, that, unless Newton and Leddy carried out their contracts, they would be "put on the board" and fixed so that they could not get any film. Later, a complaint was filed before the Film Board by the Producers' Distributing Corporation, and, upon receipt of this complaint, Newton and Leddy notified the Board fully, in writing, of the situation, informing them where the records were available showing the transfer of the title, but the Board ordered Newton and Leddy to set dates within fourteen days to play or pay for one picture per week under the Producers' contracts, and that each distributor, who was a member of the Omaha Board, might require Newton and Leddy to deposit $250.00 as security for each contract. Later, Newton and Leddy received letters from Columbia Pictures Corporation, Educational Film Exchange, Metro-Goldwyn-Mayer Pictures,

Famous Players-Lasky, Film Booking Offices, First National Pictures, Pathe Exchange, Inc., Producers Distributing Corporation, and United Artists Corporation, identical in form, each demanding $250.00 on each contract. Newton and Leddy were unable to make the deposits required and were unable to get any relief; their demands for pictures were refused, and they were compelled to and did close their theatre and, shortly afterwards, under the terms of their lease which gave the landlord a lien on all furniture and fixtures for unpaid rent, the landlord acquired title thereto. They had an investment in the theatre of approximately $5,000.00, and had been making a net profit in excess of $250.00 per month. Both Newton and Leddy, after the action taken by the Film Board, had conversation with nearly all of the representatives of the various film companies in Omaha, in an effort to get their difficulties straightened out and in an effort to buy films. They were told by all of them that they couldn't get any [fols. 1285-1286] pictures unless they settled their differences with Producers. Newton and Leddy told them that would mean they would have to go out of business and they would have to sell their theatre to someone else. The representatives of the various companies told them they couldn't find a buyer, because they would put the price of films so high to any purchaser that they couldn't buy, and they were in position to compel Newton and Leddy or anyone else to settle up on their terms or go out of business, and, when Newton and Leddy said they would take their case to court, these representatives told them that the "Hays organization" was so closely tied up and lined up with the Attorney General of the United States that no one could fight them.

Exh. 269, P. W., 10/8/28.

[fols. 1287 & 1288] GOVERNMENT EXHIBIT 13

Salt Lake City Film Board Arbitration Case

[fol. 1289] J-5

Inter-Mountain Film Board of Trade (Incorporated)

Address all Communications to Secretary.

Ed. C. Mix, Secy. and Treas., 160 Regent Street. Frederick C. Loofbourow, General Council, Kearns Building

Salt Lake City, Utah, July 3, 1923.

Mr. J. A. Rugar, Vitagraph Film, 62 Exchange Place, City.

DEAR MR. RUGAR: At the last meeting of the Board of Trade held Monday July 2nd it was agreed by all members that exhibitors would no longer be permitted to change dates without fourteen full days notice. It was also agreed no change of dates would be accepted even though the exhibitor complied with the required fourteen days notice unless the exhibitor at the same time, submits a new play date on which to run the picture which is so changed.

It was still further agreed that in the event any member received a call for booking of any picture to be played within fourteen days, it will be the duty of such member to delegate someone in his office to call up all other exchanges to ascertain if the dates in question has already been booked with another company, failing to find the requested dates filled the member is at liberty to accept such booking and confirm—on the other hand, should the date prove to be taken, the member will communicate with the Secretary of the Board of Trade giving him such data as necesssary to handle the situation properly.

Very truly yours, Inter-Mountain Film Board of Trade. Ed. C. Mix, Sec. & Treas.

ECM PC.

[fol. 1290] J-8

Inter-Mountain Film Board of Trade (Incorporated)

Address all Communications to Secretary.

Ed. C. Mix, Secy. and Treas., 160 Regent Street. Frederick C. Loofbourow, General Council, Kearns Building

Salt Lake City, Utah, August 15, 1923.

Mr. C. A. Orr, Mgr., Opera House, Grace, Idaho.

DEAR SIR: Your failure to appear before this Board on August 6th, as requested in our letter to you dated the 2nd instant and your further failure to submit booking dates to the Universal Film Exchange of this city in accordance with contracts you have signed with the latter company, has caused your credit with the various serving Film Exchanges to become impaired.

It is very natural that all Film Companies would arrive at the decision, that if you did not live up to your agreement with the Universal they would have no assurance you will live up to contracts with other companies serving you.

Accordingly at a meeting of those companies now serving you, namely, Metro, Pathe Film Booking Office and Famous-Players Lasky, it was decided to take advantage of that clause in their contract which provides they may demand from an Exhibitor an advance payment of an amount of money to insure the Exhibitor's faithful performance of all conditions in their contracts.

You are herewith requested to immediately send your check in the amount of Two Hundred and Fifty Dollars ($250.00) to each of the above companies. Your failure to comply with this request will result in a termination of all contracts these four companies hold with you and you will please understand you will be required to deposit the same amount of money with any other Film Company with whom you desire to do business in the future or until such time as your credit standing has been re-established.

Should you desire to re-establish your credit and thereby avoid having to advance the aforesaid amounts, you will immediately send play dates to the Universal Film Exchange of this city, setting in one date each week until all

pictures in contract which you executed with them on March 2nd, 1923 have been played and this must be done prior to Monday August 20, 1923.

It is one of the duties of this Board to see to it, that Exhibitors do not buy in excess of their needs, therefore in as much as you have fifty-two weeks service contracted for with the Universal Film Exchange and have not given [fol. 1291] them starting play dates, we consider the pictures you recently contracted for from the Goldwyn Company are an excessive buy and must not be dated until some contracts now in force expires. You are also reminded that you must re-establish your credit standing or the Goldwyn Company will be obliged to request a deposit of $250.00 to insure them that you will live up to all conditions of their contract before they can book you any pictures.

Briefly the situation is this; your credit has become impaired, as a result you must deposit one thousand dollars ($1000) divided equally between the four companies now serving you and ($250.) with each additional company you sign contracts with, unless as stated herein you live up to your agreements with the Universal Company. This Board will expect you to play the pictures from the different companies holding your contracts in accordance with the schedule outlined to you in our letter dated June 7th, 1923 which was as follows:

Monday's, Each week	Universal
Tuesdays	Paramount
Wednesdays	Pathe
Thursdays	Film Booking Office
Fridays	Metro
Saturdays	Paramount

You still have the privilege of appearing at our Board meeting next Monday at noon August 20th, and personally defend your side of the present controversy. For your information there is a ruling of this Board that when an Exhibitor appears before it and it is found the Exchange is in error then that exchange is obliged to pay the Exhibitor's railroad fare to and from his town while, on the other hand, you are found to be in the wrong, you will have to take care of your own expenses.

The $1000. must be in the hands of the companies now serving you, or you must appear at our next meeting, fail-

ing to comply with either of these requests before next Monday, August 20th these companies will decline the risk of serving you further.

Very truly yours, Inter-Mountain Film Board of Trade. —— ——, Secretary.

ECM/PC.

[fol. 1292] O-1

Inter-Mountain Film Board of Trade (Incorporated)

Ed C. Mix, Secy. & Treas., 160 Regent Street. Frederick C. Loofbourow, General Council, Kearns Building

Salt Lake City, Utah, September 10, 1923.

Mr. R. F. Egner, in charge of The Bureau of Visual Instruction, University of Utah, Salt Lake City, Utah.

Dear Mr. Egner: At a meeting of the Inter-Mountain Film Board of Trade, held today, it was decided by all members of this Board to immediately discontinue serving films to the Bureau of Visual Instruction of the University of Utah.

The above action was taken for the reason that in this Board's opinion the Bureau which you represent has developed into a booking-agency and it is contrary to our various home office orders to book motion picture films through any booking office of this nature.

In the event that you may have contracts with members of this Board, it was ruled that all such contracts are to be cancelled effective October 1st, 1923.

Very truly yours, Inter-Mountain Film Board of Trade. —— ——, Secretary.

ECM/FC.

"Copy to Judge Loofbourow."

[fol. 1293] J-12

Universal Film Exchanges, Inc., 56 Exchange Place, Salt Lake City, Utah

Address all replies to the office sending this letter and refer to ——.

Received Dec. 5, 1923, Salt Lake.

December 4, 1923.

All members of Intermountain Film Board of Trade:

Mr. Walter S. Stevens of the Gem Theatre, Montpelier, Idaho has informed us that he will not play productions on which we hold bona fide contracts.

These pictures are booked on the following dates: December 7th and 8th, January 1st and 2nd, January 11th and 12th, February 4th and 5th.

It is requested that you cooperate with us to the extent of giving us protection on these dates.

In the event that you should receive requests for bookings on the above dates, will you please get in touch with this Exchange?

Trusting to receive your valued cooperation we beg to remain,

Very truly yours, Universal Film Exchanges, Inc.
James M. Conroy, Booking Department.

JMC:S.
Booker: ——. Cashier: ——. Stenographer: ——.
Shipping Dept.: ——. Poster Dept.: ——.

[fol. 1294-1301] J-13

Dec. 15, 1923, Salt Lake.

Shooker Film Exchanges, 138 Regent Street, Salt Lake City, Utah

December 5th, 1923.

To all members of the Intermountain Film Board of Trade.

Gentlemen: Mr. E. H. Greenhalgh of the Greenhalgh Theatre at Ferron, Utah, Informed us that he would not play Kenito Reviews and Comedies, for which we have *bonified* contracts. These pictures are booked to the above Theatre for the following dates: December 16th, January 6th, January 20th, February 3rd, and every other Sunday, thereafter for thirty-five alternating Sundays.

It is requested that you will kindly co-operate with us to the extent of giving us protection on the above dates.

Thanking you in advance for the co-operation granted us, we are

Sincerely yours, Allen Burke, Shooker Film Exchanges.

AB:AM.
Yes. R. S. S.
Booker: AW. Cashier: ——. Stenographer: ——. Shipping Dept. ——.

[fols. 1302-1341] c-13

Dec. 5th, 1924.

Mr. Harry Meyer, Secretary, Montana Film Board of Trade, 130 Pennsylvania Building, Butte, Montana.

DEAR MR. MEYER: Replying to your letter of the 4th instant and your inquiry relative to the status of the Beaver Theatre, Mountain Home, Idaho situation have to advice: Famous Players-Lasky Corporation of this City are serving the above theatre also Preferred Pictures Corporation and Producers Distributing Corporation, three in all.

In the above mentioned three instances, Mr. F. A. Henricks the proprietor, complied with the Joint Board of Arbitration by furnishing each of the Distributors in question a Cashiers Check in the amount of $250.00.

We are functioning here with the understanding that it is optional with an Exhibitor as to the number of additional advances he shall give. The Distributor receiving such additional deposit has no alternative but to serve. The Cashier's or *Ciritified* Check However can not be credited on any service shipped, but must be retained until all conditions of the contracts effected have been complied with. It is understood however that, when contracts have been completed the Distributor who has served as result of having received the additional deposit is not to accept another contract from this Exhibitor, it will be necessary for this Exhibitor to place an additional deposit with some other Distributor who held uncompleted contracts at the time of the Joint Board of Arbitration's ruling.

Warner Bros. of your city are in exactly the same position as the following Distributors in Salt Lake, First National, Universal, Vitagraph, Fox and Metro-Goldwyn all of whom are holding uncompleted contracts and must await

their turn the order of which will be at the option of Mr. Hendricks.

Very truly yours, Joint Board of Arbitration. —— ——, Secretary.

E. C. M/PD.
Copy.

[fol. 1342] E-208

Case #68

August 10, 1928.

Mr. L. N. Strike, % Star Theatre, Salt Lake City, Utah.

Dear Mr. Strike: We attach herewith a copy of a communication received from Tiffany concerning your failure to fully comply with the Award rendered in the above-numbered controversy. Demand letters have been sent to you on this matter once, at which time you made cash payment. You promised the writer at that time that we would not have to go through this procedure again.

This is to advise you that unless you fully comply to date with the terms of this Award, and that this office is advised of same having been accomplished on or before August 16, it will be our duty to again advise each Exchange doing business with you—and it will be their duty under the Rules Relating to Arbitration to request deposits from you for the satisfactory performance of all of their contracts.

Yours very truly, —— ——, Secretary.

DTL:LP.
Enc.

P. S.—In view of your verbal assurance given to me many times that you intended to comply with this Award, the writer cannot understand why you continue to make us go to all this trouble.

[fols. 1343-1345] D-93

Onyx Theatre, Cokeville, Wyo.

Oct. 5th, '28.

Universal Film Exchange, Salt Lake City, Utah.

Dear Sirs: In answer to your letter of Sept. 28th will say that we are a little surprised in the action taken by you

and the Film Board in the little controversy between us and the Metro-Goldwyn whereby you have decided to close our Theatre we have at all times tried to be on the square with you all but just because we happened to get in a jam on our pictures you have all joined hands to put us out of business which I don't appr-*i*ate very much and I don't suppose that you care very much what we think about it.

So we except your verdict and will close so you understand that means that you will have to cancel/ our contracts as we are in no position to pay for pictures that we are unable to run if you people had not forced us we would of came out alright in a little time but as it is you have put us out of business.

We showed that we were trying to do what was right when we had you hold our Tues. program so that we could start with the F, B, O. We knew that we had to pay you for the whole service but was willing to do it in order to try and get straightened out. So please to cancel/ our contracts as we refuse to comply with the findings of the Board.

Thanking you for past services, we are, yours very truly,

Richard Roberts.

[fol. 1346] GOVERNMENT EXHIBIT 14

UNITED STATES

v.

FAMOUS PLAYERS LASKY CORP. et al.

Seattle Film Board of Trade

Agent Howrey's Report, February 5, 1929

Arbitration Case

Exhibits

[fol. 1347] Ex. 27

Form No. 1

Board of Arbitration

Complaint

DEAR SIR: We attach hereto a contract entered into with Consolidated Portland Theatres exhibitor, operating the Rivoli Theatre at in the City of Portland, Oregon.

We respectfully complain against said exhibitor as follows:

(Here insert a plain and consi-e statement of facts)

On September 4th 1926 contracts were arranged with Mr. Harry C. Arthur, Jr. of the Pacirid Northwest Theatres as per enclosed copy (See Exhibit A).

Included in contracts are 52 even issues of Kinograms for the Rivoli Theatre, Portland, Oregon, to be booked for their Saturday Friday weekly change starting October 2-8 1926. The Consolidated Portland Theatres assumed this contract by accepting and playing service to and including June 18-24, 1927.

We are also attaching copy of our booking sheet covering this contract (See Exhibit B).

This issue of Kinograms is shipped from our New York Office direct to the Rivoli Theatre, on Tuesday of each week and the Rivoli Theatre has accepted and used film up to and including issue #5300 booked June 18-24, 1927.

On June 10th, 1927, the Rivoli Theatre wrote us a letter (See Exhibit C) to which we replied June 13th, 1927 (See Exhibit D) advising that their contract was non-cancellable and that we would expect them to complete this contract. Issue #5302 booked and shipped for June 25-July 1st, 1927, was received at the Rivoli Theatre and returned Express collect to us.

We ask that this Exhibitor be combpelleed to immediately pay for rental of #5302 in amount of $30.00 plus return express, amount 34¢, as per statement attached.

We desire you to advise the exhibitor of our claim, and if it is denied, or if the exhibitor fails to respond to your communication, or if an answer is received and it is not satisfactory to us, we desire our claim brought before the Board of Arbitration for determination.

Very truly yours, Educational Film Exchange of Seattle, Distributor. B. M. Lucker, Manager.

[fol. 1348] Ex. 29

Rivoli, Washington Street Between Park and West Park, Portland, Oregon

Phone: Broadway 7033

September 17, 1927.

Joint Board of Arbitration, Seattle District, 814 Securities Building, Seattle.

GENTLEMEN: We have your notice of the 13th inst. that the Educational Film Exchange of Seattle had lodged a complaint against us and that our presence before your body is required.

First of all we do not understand how you can "require" us to appear in Seattle on a complaint based on a contract to which we are not a party, and we must respectfully decline to submit to your jurisdiction in this matter. We appreciate, however, the laudable object of your board to undertake to settle disputes and avoid litigation between exhibitors and distributors, and for that reason and out of courtesy to you, we are pleased to give you some information that you might find useful in considering the justice of Educational's complaint.

The Consolidated Portland Theatres took over the operation of the Rivoli Theatre in Portland on January 1, 1927. Previous to that time it has been owned and operated by the Strand Theatre Company. The writer hereof, J. J. Parker, has been the President and General Manager of the Consolidated ever since its organization and the only person authorized to bind it on any contract. The contract with Educational complained about was not executed by or on behalf of our company. It was made with and signed by the Pacific Northwest Theatres. The contract is dated September 4, 1926, and until Mr. Rucker of Educational sent us a copy thereof on March 20, 1927—or shortly before when he told us of its existence—we did not even know that such a document existed.

When the Consolidated took over the Rivoli, Educational's Kinograms had been running for a considerable length of time under what we assumed was simply spot booking and subject to cancellation at any time by either distributor or exhibitor. Just because we ran and paid for

[fol. 1349] a number of issues of this newsreel, certainly does not prove or indicate that we assumed a contract that another party had signed therefor and the existence of which, not to speak of the terms thereof, we were not even aware. Suppose when we learned of the contract we found that it ran for a period of ten years and that the weekly rental increased $50.00 every six months. Would the fact that we had run the reel force us to accept and be bound with the contract as written? This is precisely the argument presented by Educational, though the terms of the contract as written—luckily for us if Educational is right—were not of course as harsh as those just supposed. When Mr. Rucker informed us of the existence of the contract, we advised him that we had not assumed and were not bound by it and that he was privileged to take off the newsreel if he so desired. He apparently had no other available spot for it and so did not take it off, and then when we had no further use for it, we terminated the service—giving Educational the customary two weeks notice. We have fully paid for all the issues we used.

The contract upon which Educational's complaint is based has the following provision:

"Thirteenth. The contract shall not be assigned by either party without the written acceptance of the assignee and the written consent of the other party; provided, that if the Exhibitor sells or disposes of his interest in the theatre above specified, he may assign this contract to the purchaser of such interest without the written consent of the Distributor and such assignment shall become effective upon the written acceptance thereof by the assignee, such assignment, however, shall not relieve the Exhibitor of liability hereunder, unless the Distributor consents in writing to release the Exhibitor from such liability."

This provision shows how necessary Educational and all the other members of the Hays Organization—for this clause appears in the Uniform Contract—considers any change in obligation to be in writing; and it shows conclusively that Educational has no claim against us for it neither alleges or can prove that we ever assumed the contract in question in writing. "Assumption" implies an "assignment", for we could not assume a contract if the original

party thereto did not assign it to us, and assumption without assignment, which would impose on us the obligation to pay without giving us the attending right to demand the service, would be an anomaly.

[fol. 1350] We might also mention, simply to show that Educational knew that we had never assumed and were not bound by the contract, that after we cancelled the service, Educational filed a complaint against the Pacific Northwest Theatres before this same arbitration board, and that on July 12, 1927, this board made an award in favor of Educational and against Pacific Northwest and held the latter bound on the contract. For some reason—I hope the fact that Pacific Northwest owns 49% of Educational's stock had nothing to do with it—Pacific Northwest did not accede to your award and pay Educational, and now the latter is undertaking to saddle its loss, if it is a loss, on us. We do not think you will lend your assistance to such procedure.

Our position is that we did not execute or in any way assume the contract between Education and Pacific Northwest, that the terms of such contract prohibit such assumption unless it be in writing and that such writing does not exist, that we have fully discharged all our obligations to Educational, and that Educational's complaint is without any merit.

Thanking you for according us an opportunity to present the above facts, we remain,

Respectfully yours, Consolidated Portland Theatres,
per J. J. Packer, President.

JJP/H.

Copy to Educational Film Exchange.

[fol. 1351] Ex. 32

City: Seattle.
State: Washington.
County: King.

In the matter of the Arbitration of Educational Film Exchange of Seattle, Seattle, Washington, complainant, and Consolidated Portland Theatres, Rivoli Theatre, Portland, Oregon, Respondent

We, the undersigned arbitrators, having been duly appointed to arbitrate the matters in controversy existing

between the above-named Distributor and Exhibitor as by the provisions of the contract between said Distributor and Exhibitor provided (or by the conditions of their submission in writing executed by said Distributor and Exhibitor respectively and sealed with their respective seals and duly acknowledged) and after having taken the oath and after hearing the proofs and allegations of the said parties and due deliberation having been made we do hereby award, determine and order: that is to say:

(Here express in clear and precise terms the award so that nothing shall be left uncertain. The award should be final in its terms so as to terminate the controversy.)

The Joint Board of Arbitration in and for Seattle District finds that valid contracts exist between the parties hereto which were validated by assumption when pictures on this contract were accepted, played and paid for, beginning January 4, 1927, and played up to, and including June 18-24, 1927.

2. That rentals for pictures which are in arrears, together with expenses incurred for telegrams and express charges, totalling in all $363.61, as per attached statement, is immediately due and payable and remittance shall be made by the Respondent of the full amount within fifteen days of date hereof, or October 12, 1927.

3. That the remaining issues of Kinograms shall be played or paid for in accordance with the terms of the contract.

4. That in the event of failure to comply with the above findings within the periods fixed, additional security of not less than $100 and not more than $500 may be required from the Respondent on each existing contract.

In witness whereof we have subscribed this award this 27th day of September, 1927.

Wm. M. Hartford (L. S.), Frank M. Farrow (L. S.), R. R. Patch (L. S.), Geo. P. Endert (L. S.), D. J. McNerney (L. S.), Jack Lannon (L. S.).

STATE OF WASHINGTON,
County of King:

On this 27th day of September, 1927, before me, a Notary [fol. 1352] Public in and for said County and State, personally appeared Wm. M. Hartford, Frank M. Farrow, R. R.

Pratsch, Geo. P. Endert, D. J. McNerney and Jack Lannon known to me to be the individuals described in and who executed the foregoing instrument, and they dully acknowledged to me that they executed the same.

R. B. Lynch, Notary Public. My Commission expires March 8, 1929. (Notarial Seal.)

[fols. 1353 & 1354] GOVERNMENT EXHIBIT 15

Buffalo Film Board of Trade Arbitration Case

[fol. 1355] No. 30

Claim Summary

Board of Arbitration, Buffalo, New York

Town: Buffalo. Theatre: Lafayette. Complainant: F. B. O. Amount $4,300.00. Date: Filed: 4/27. 1st Notice: 4/27. Summons: 5/9. Date: Award 5/16 to 7 arb. Amount Security: ——. Date: Deposit: 6/1. Suspension: ——. Settled: 6/8/27. How Settled: ——.

Withdrawn before submitting to Board of Arbitration: ——.

Dismissed by Board of Arbitration and why: ——.

Settled within specified time: ——.

Settled outside of specified time: Yes.

Members	Contracts	Deposit	Suspension
Bond Photoplays Corp	0		1
Chase Pictures Corp		6/7	
Dependable Pictures	0		
Educational Films Inc	0		
Famous Players-Lasky	0		
Film Booking Offices		6/1	
First National Pictures	0		
Fox Film Corp.	(News)		
R. C. Fox Exchanges		6/1	
Metro-Goldwyn-Mayer		6/1	
Pathe Exchange		6/1	
Producers Dist. Corp.		6/1	
Renown Pictures Corp	0		
United Artists Corp		6/1 (erased)	
Universal Films		6/1	
Warners-Vitagraph		6/1	

Remarks: To Seventh arb. for hearing 8/23/27. Settling 6/8/27 per Dixon. Phoned all ex. 6/8/27—2 P. M. E. A. 7/3/27 Refused 2 reel comedy, "Heavy Hikers," $125.00 on No. 9872.

[fol. 1356] Question of contract existing of Arb.
Exh. refused to sign submission Seventh Arbitration.
Minutes to be sent from EM.

[fol. 1357] No. 31

Claimant's Copy

Form No. 1

Complaint

M. Slotkin's contracts signed by ——.

April 27, 1927.

Dear Sir: We attach hereto a contract entered into with W. A. Haines, exhibitor, operating the Lafayette Theatre at ——, in the city of Buffalo, N. Y.

We respectfully complain against said exhibitor as follows:

(Here insert a plain and concise statement of facts.)

The following subjects were booked and confirmed in good faith but were refused:

April 24-30	Moulders of Men (Hello Bill)	$850.00
March 20-26	Stomach Trouble	25.00
April 17-23	Rug Fiend	25.00
		$900.00

This exhibitor contracted for ten features, five of which he agreed to pay for or play. To date, he has screened six of these subjects which are all available for his dating, and has rejected them, and has verbally stated that he will not play any of the subjects on this contract. We therefore make our claim in the total amount of $4,300.00 inasmuch as he has asserted that he will not abide by the terms of his contract.

We desire you to advise the exhibitor of our claim, and if it is denied, or if the exhibitor fails to respond to your

communication, or if an answer is received and it is not satisfactory to us, we desire our claim brought before the Board of Arbitration for determination.

Very truly yours, Film Booking Offices of America, Inc., Distributor. Harry T. Dixon, Manager.

[fol. 1358] 34

Form No. 10

In the Matter of the Arbitration of FILM BOOKING OFFICES, Distributor, and M. SLOTKIN, Lafayette Theatre, Buffalo, N. Y., Exhibitor

Form of Submission, Board of Arbitration

A controversy, dispute or difference between the undersigned having arisen and relating to a subject matter the nature of which, briefly stated, is as follows: Refused shipments and fulfillment of the contracts, $4300.00, pursuant to Contract for exhibition of motion picture films, dated the 6*ht* day of Oct., 1926,

20th Dec., 1926.

We do hereby voluntarily submit the dispute and all questions and matters concerning same to ——, arbitrators of the Board of Arbitration of the Film Board of Trade of Buffalo and the Motion Picture Theatre Owners of Buffalo Zone, for hearing and decision pursuant to the rules adopted by the said Board of Arbitration and pursuant to regulations now on file in the office of the Motion Picture Producers & Distributors of America, Inc., and identified by the signature of its President; and we agree to abide by and perform the decision, award, order, orders, and judgment that may therein and thereupon be made under and pursuant to and by virtue of this submission within 7 days.

The parties hereto hereby subject themselves to the same consequences provided for in the arbitration clause of the uniform exhibition contract in the event of failure to comply with any award made by the Arbitration Board pursuant to this submission.

We do hereby waive the oath of the arbitrators.

Dated at Buffalo, May 16, 1927.

Harry T. Dixon, Mgr. Film Booking Offices, for Lafayette Theatre, Bfl.

[fol. 1359] STATE OF NEW YORK,
County of Erie:

On this 16th day of May, 1927, before me, a Notary Public in and for said County and State, personally appeared Harry T. Dixon, known to me to be the individuals described in and who executed the foregoing instrument, and they duly acknowledged to me that they executed the same.

E. M. Abplanalp, Notary Public. My commission expires 3/30/28.

[fol. 1360] 35

Form No. 4

City: Buffalo.
State: New York.
County: Erie.

In the Matter of the Arbitration of FILM BOOKING OFFICES, Distributor, and M. SLOTKIN, LaFayette Theatre, Buffalo, N. Y., Exhibitor.

We, the undersigned arbitrators, having been duly appointed to arbitrate the matters in controversy existing between the above named Distributor and Exhibitor as by the provisions of the contract between said Distributor and said Exhibitor provided (or by the conditions of their submission in writing executed by said Distributor and Exhibitor respectively and sealed with their respective seals and duly acknowledged) and after having taken the oath and after hearing the proofs and allegations of the said parties and due deliberation having been made we do hereby award, determine and order; that is to say:

(Here express in clear and precise terms the award so that nothing shall be left uncertain. The award should be final in its terms so as to terminate the controversy.)

Tie Vote—to Seventh Arbitrator.

In witness whereof we have subscribed this award this 16th day of May, 1927.

J. H. Michael (L. S.), N. J. Basil (L. S.), Sydney Samson (L. S.), Howard F. Brink (L. S.).

STATE OF NEW YORK,
County of Erie:

On this 16th day of May, 1927, before me, a Notary Public in and for said County and State, personally appeared [fol. 1361] J. H. Michael, N. J. Basil, Sydney Samson and Howard F. Brink, known to me to be the individuals described in and who executed the foregoing instrument, and they duly acknowledged to me that they executed the same.

E. M. Obplanalp, Notary Public. My Commission expires 3/30/28.

[fol. 1362] 36

May 17, 1927.

Mr. M. Slotkin, Monument Theatre Corp., Lafayette Theatre, Buffalo, N. Y.

Dear Mr. Slotkin: The claim of Film Booking Offices against yourself, heard by this Board on Monday, May 16, and which resulted in a tie vote, will be heard before a Seventh Arbitrator on Monday next, May 23, at 1:00 P. M., in Room 7, Huyler Bldg., 374 Delaware Bldg., Buffalo. Kindly be present at the appointed time.

Yours very sincerely, Emma M. Abplanalp, Secretary, Joint Board of Arbitration.

Dic. A.

[fol. 1363] 37

FILM BOOKING OFFICES

vs.

M. Slotkin, Lafayette Theatre, Buffalo, N. Y.

N. J. Basil, J. H. Michael, Exhibitor Arbitrators.

Howard Brink, Sydney Samson, Distributor Arbitrators.

Mr. Kempner was objected to for the exchange and Mr. Hayman was objected to for the exhibitor.

There appeared for the Lafayette Theatre, Mr. M. Slotkin.

There appeared for Film Booking Offices, Mr. Harry Dixon and Mr. Katz.

The Chairman (Mr. Jules Michael) read the claim.

Mr. Herman Lorence or Mr. M. Slotkin refused to sign the form of submission on the grounds that there was no contract signed between the Lafayette Theatre and Film Booking Offices.

Contract in evidence signed by W. A. Haines, of Lafayette Theatre.

Dixon: Mr. Katz and myself went over to the Lafayette Theatre to see Mr. Haines, and we wanted to sell him Red Grange in One Minute to Play and Kocher Kitty Kelly. The price of these two pictures was between $6,000 and $7,000. Mr. Haines said he would not be able to pay us that amount of money, but that he would take five or six of our Gold Bond series if it would cut the price of Kocher Kitty Kelly and the Red Grange picture. So we cut the price of Kocher Kitty Kelly and the Red Grange picture according to the basis of the five pictures he bought, which I believe was $2,000 for Red Grange and $1,500 for Kocher Kitty Kelly. We sold them ten pictures with the understanding they were to pick out five. They were to play or pay for five pictures and that is what we want on this contract. We want the full amount of the five pictures on that contract.

Slotkin: These pictures were booked in my office and I told Mr. Haines to sign it. I stood at his side when he signed it. Mr. Haines never had any authority to sign a contract unless I told him to do it. On the two pictures, Kocher Kitty Kelly and the Red Grange picture, I was there and authorized Mr. Haines to sign it, but I do not know of any other contracts.

Michael: You say you gave Mr. Haines authority to sign the contract for the two pictures, Kocher Kitty Kelly, and Red Grange picture?

[fol. 1364] Slotkins: I gave Mr. Haines authority just to sign the contract for the two pictures, Kocher Kitty Kelly, and the Red Grange picture. When this contract came in I could see that he had bought 44 comedies and I told him he was wrong.

Katz: When we first called on Mr. Slotkin and Mr. Haines, we discussed the matter pro and con but we did not get anywhere. I don't remember who the gentleman was in the office at the time, but I believe it was the direc-

tor. Finally they wanted to buy Red Grange, which we would not sell alone. If we sold this picture alone, we wanted a big price for it. At that time Kocher Kitty Kelly was being noised around and the exhibitor felt it would make money for him. They thought they might book two pictures and leave the others ride, which we also refused to do. Finally, Mr. Haines came to us and he said, "I will do this: We will play five out of the 10 pictures, in addition to the two pictures mentioned, Red Grange and Kocher Kitty Kelly. The prices on these pictures were only as a guarantee, above this was a certain split figure, so after talking the matter over between ourselves, Harry and I decided the contract would be O. K. We took the contract on the 10 pictures with the understanding they would play 5. Mr. Slotkin knew about this deal because I spoke to him about it. I was in Mr. Slotkin's office talking with him about this matter about eight weeks ago and he said to me, "We will play them. Send them over." At that time he expressly told me he was pretty well bought up and if he could get out of the contracts he would. If a man has admitted the validity of a signature on three of the contracts, the signature on the fourth is absolutely the same and there cannot be any deviation whatsoever from that contract.

Chairman read letter dated Dec. 27, 1926, from F. B. O. office on file at Film Board Office.

Michael: What part of your contract is the pink sheet?

Answer: That is the exhibitor's approved copy.

Dixon: It is my way of thinking, if these contracts were not honored signed by Mr. Haines, why did they play Kocher Kitty Kelly and the Red Grange picture and also the comedies. I tell you it is hurting the revenue of our office. If there is any possible way this man can get out of this contract, I want to know why. As far as we are concerned, the contract is legitimate.

[fol. 1365] Slotkin: I never saw this contract—never knew there was such a contract. I told him the minute I saw it I would not play it, even if I had to go to court with it. I did not tell him to sign this contract. I just gave Mr. Haines authority to sign the contract for the two pictures and that is all.

Dixon: When we signed these contracts, Mr. Haines got in touch with Mr. Slotkin and evidently this was O. K. Mr. Haines says I will talk to you boys within 15 or 20 minutes. So Mr. Haines signed the contracts for Red Grange picture, Kocher Kitty Kelly and the 5 Gold Bond series.

Dixon: We have held up all these pictures and every exhibitor in the city of Buffalo has been affected accordingly.

Lorence: We stopped playing these comedies when we discovered we had no contract, according to our understanding.

Michael: Do I understand it is your intention to play these comedies?

Slotkin: Yes.

Dixon: They have already honored that contract and played 5 or 6 pictures on it.

Michael: Have you played any other comedies on the contract?

Slotkin: When I saw this contract, I started to raise hell with Haines. In the afternoon these two fellows came in and I said, "Boys, we are not going to use these comedies. Haines has no right to sign contracts unless I tell him to. This contract I never saw at all. I was sick at the time and went away. While I was away Mr. Haines played a few of these comedies.

Michael: Was Mr. Slotkin present when you talked to Mr. Haines?

Slotkin: No. I never saw this contract and never knew of it.

Michael: Were the contracts all signed in the office upstairs?

Slotkin: No. The comedy contract was signed by Mr. Haines down stairs.

Katz: Mr. Slotkin has said he will play the comedy contract.

[fol. 1366] Slotkin: I told Mr. Haines he was wrong and that he should be a street cleaner instead of a theatre manager. I went away because I was sick and when I returned Haines had played a few of the comedies. I did not want to dispute them and fight with the exchange managers and go up to the Board and fight again.

See letter dated Jan. 27, 1927 Film B. Offices.

Dixon: Mr. Slotkin, didn't you screen Tarzan the Golden Lion?

Slotkin: Yes, I screened it.

Dixon: Well, why did you screen it if you did not want to play it

Read letter addressed to F. B. Offices signed by H. Lorence.

Dixon: My contention is that this contract is absolutely O. K. when you gentlemen are discussing the case, I want you to remember the signatures are the same.

Lorence: With reference to this letter signed by me, it was sent to you after Mr. Slotkin stated he did not want to fight with you men and agreed to run the comedies.

Michael: Will you please state to the Board what was done in the case of Metro on the contract where a waiver was signed by Mr. Haines, as far as the decision of the Board was concerned.

Answer: Metro knew they were going to lose, so we got a telegram from Sidney Pfeiffer, the attorney, stating Metro was willing to take the four pictures out.

Samson: Was this case ever heard by the Arbitration Board?

Answer: No.

Samson: Did Mr. Haines ever offer to sign any contracts outside of the contracts you told him to?

Slotkin: Gentlemen: I am not telling you any lies. It is not a matter of my coming up here to lie to you. I said to Mr. Haines, I pulled out the desk drawer and I said to Mr. Haines, "You sign this contract." I never knew of this contract, never saw it.

It was regularly moved and seconded that the contract for the features be thrown out because of the fact that it was not properly signed by the Corporation operating the Lafayette Theatre.

[fol. 1367] Motion was made by Michael and seconded by Basil.

Vote on the motion: Michael, yes; Basil, yes; Brink, no; Samson, no.

To Seventh Arbitrator.

Verdict on Comedy Contract

It was regularly moved and seconded that a verdict of $50.00 be given F. B. O. on Stomach Trouble for March 20-26 and Rug Field dates April 17-23, in accordance with contract dated Dec. 20, 1926.

Vote on the motion: Michael, no; Basil, no; Samson, yes; Brink, no.

To Seventh Arbitrator.

(Minutes of above case by Miss Laughren.)

Emma M. Abplanalp, Secretary.

[fol. 1368] 38

Form No. 4

City: Buffalo.
State: New York.
County: Erie.

In the Matter of the Arbitration of Film Booking Offices of America, Distributor, and Monument Theatre Corp., operating the Lafayette Theatre, Buffalo, New York, Exhibitor.

We, the undersigned arbitrators, having been duly appointed to arbitrate the matters in controversy existing between the above named Distributor and Exhibitor as by the provisions of the contract between said Distributor and said Exhibitor provided (or by the conditions of their submission in writing executed by said Distributor and Exhibitor respectively and sealed with their respective seals and duly acknowledged) and after having taken the oath and after hearing the proofs and allegations of the said parties and due deliberation having been made we do hereby award, determine and order; that is to say:

(Here express in clear and precise terms the award so that nothing shall be left uncertain. The award should be final in its terms so as to terminate the controversy.)

That all four of these contracts are in existence and valid, namely, Contracts 9611, 9612 and 9613, dated October 6, 1926, and No. 9872 dated Dec. 20, 1926.

In witness whereof we have subscribed this award this 23 day of May, 1927.

—— —— (L. S.), Sidney Detmers, (L. S.), Seventh Arbitrator (L. S.), —— —— (L. S.), —— —— (L. S.), —— —— (L. S.).

STATE OF NEW YORK,
County of Erie

On this 23rd day of May, 1927, before me, a Notary [fol. 1369] Public in and for said County and State, personally appeared Sidney Detmers, known to me to be the individuals described in and who executed the foregoing instrument, and they duly acknowledged to me that they executed the same.

E. M. Abplanalp, Notary Public. My commission expires 3/30/28.

[fol. 1370] 39

In the Matter of the Arbitration of FILM BOOKING OFFICES OF AMERICA, Distributor, and MONUMENT THEATRE CORP., LAFAYETTE THEATRE, Buffalo, New York, Exhibitor.

May 23, 1927.

Enclosed herewith is a true copy of an award of the Board of Arbitration in the matter in controversy existing between the above named Exhibitor and Distributor.

Upon your failure or refusal to abide by and forthwith comply with the said award the said Distributor, or any other Distributor with whom you have contracts on the uniform form shall have the right to demand for their protection and as security for the performance by you of your existing contracts with said Distributor and such other Distributors an additional sum not exceeding ——, under each such contract; and in the event of your failure to pay such additional sum within seven days after demand the said Distributor and other Distributors may by written notice to you suspend service under such existing contracts until such sum shall be paid or they may terminate such contracts with you.

Yours very truly, Board of Arbitration, by Emma M. Abplanalp, Secretary.

[fol. 1371] 41

374 Delaware Avenue

May 23, 1927.

Monument Theatre Corp., Lafayette Theatre, Buffalo, N. Y.

GENTLEMEN: I am enclosing a copy of the decision of the Seventh Arbitrator, Mr. Sidney Detmers, in the claim of Film Booking Offices of America, Inc., against yourselves, which resulted in a tie vote before this Board on Monday, May 16.

In accordance with this decision, there is now due and payable to the Film Booking Offices of America, Inc., the sum of $900.00 within seven (7) days from the date hereof, for Moulders of Men (Hello Bill) $850.00 booked and confirmed for April 24-30 and refused, Stomach Trouble $25.00 booked and confirmed for March 20-26 and refused, and Rug Fiend $25.00 booked and confirmed for April 17-23 and refused, and completion in accordance with the terms thereof of contracts No. 9613 dated October 6, 1926 and No. 9872 dated December 20, 1926.

Yours very truly, Emma M. Abplanalp, Secretary
Joint Board of Arbitration.

Dic. A.
Encls.

[fol. 1372] 43

Lafayette Square Theatre, Offering High Class Vaudeville and Photo Plays

Monument Theatre Corporation, M. Slotkin, General Manager

Buffalo, N. Y., June 8th, 1927.

Emma Abplanalp, Sec'y Film Board of Trade,
Hyler Bldg.,
Buffalo, N. Y.

DEAR MADAM: This is to inform you that I have settled satisfactory with the Monument Theatre Corporation, operating the Lafayette Square Theatre.

Yours, very truly, Harry T. Dixon, Branch Manager
Film Booking Office of America.

Received
12
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Jun. 9 1927
Film Board of Trade.

[fol. 1373] Ex. 43F

F B O Pictures Corp.

vs.

Lafayette Theatre, Buffalo, N. Y.

Seventh Arbitrator, Mr. Detmers, appointed by Chamber of Commerce.

Mr. Michael appearing as attorney for Exhibitor, Mr. Dixon for Exchange.

Detmers: If you are going to represent the theatre, wouldn't like a whole lot of other people talking.

Dixon: How can Michael be an arbitrator in the case and then act as counsel before the 7th Arbitrator?

Detmers: All right—because he has no vote. Think we'll have each side appoint who is to speak for them and give their authoritive statement.

Dixon: Will you ask the Lafayette people if they are willing to submit to arbitration and if willing, to agree to abide by your decision?

Detmers: They have refused.

Micha*le*: That statement is not correct. If the Lafayette has refused to submit they wouldn't be here before a seventh arbitrator.

Lorence: We are here to arbitrate because of a clause written in the contract which is written in every contract.

Detmers: Think you are going ahead of your story. You represent the Lafayette?

Michael: Correct.

Detmers: Who is this gentleman?

Michael: Mr. Lorence.

Chairman: This is a form we ask both parties to sign.

Detmers: I presume these matters were all set before you called in the seventh arbitrator.

Michael: We will say that we would never have been here if both parties hadn't agreed to arbitrate. This is provided in the contract for arbitration because before either party can resort to a court, they must submit their differences to an arbitration board. This submission is in our mind and takes away from both parties the right to carry to court any differences before submitting to arbitration. The Monument Theatre Corporation refused to sign any paper that will take away their right from going to court.

[fol. 1374] Samson: Not interested in court. We are interested in both parties signing agreement to abide by the decision. In other words F B O signed and Monument does not. In the event that the decision is against them, they will not be compelled to abide by it. In fairness to both parties they should sign, and if there is anything in it that waives their court rights, we will strike that out, but I want a written submission to arbitration by both parties.

Michael: Monument Theatre Corporation refuses to sign any supplementary agreement.

Dixon: Then I refuse to have the case heard.

Michael: We will—we are here to arbitrate on the contract as set up. Arbitration is a part of that. In our opinion the signing of any waiver would sign away our rights.

Samson: We will strike out any part that takes away any of your rights.

Michael: They refuse to sign anything. The contract in question is the only thing we will arbitrate on.

Samson: In other words they put F B O in a position of being compelled to abide by the decision, whereas the Lafayette Theatre or Monument Theatre Corporation are not compelled in any way whatsoever except their good intentions.

Detmers: You say you can't sign?

Michael: No.

Samson: If anything in the submission form takes away any further rights, we will strike it out.

Detmers: Where is the original contract?

Dixon: Here is the original contract.

21st Clause read.

Detmers: Lafayette signed this?

Michael: We don't say we signed. We say Lafayette Theatre did not sign.

Detmers: Then I don't see what I am here for.

Michael: We are here—any theatre to get pictures has to sign a contract which makes it arbitrate any differences, and it can't get pictures unless on this contract of which [fol. 1375] this clause is a part. We claim there is no contract with the Monument Theatre Corporation. That there is no contract in existenec and for that reason claim they are not a party to this contract. That is their case. That is what they propose to make their case on.

Detmers: But they played pictures on this contract?

Michael: The contract is not properly signed and for that reason the corporation is not a party to it.

Detmers: What is the question for me to arbitrate?

Samson: Whether or not the contracts are in existence, whether or not they agree to arbitrate.

Detmers: Are you willing to submit to my decision whether a contract (or contracts) is in existence or not?

Michael: Without waiving upon any court rights, I would say yes, we are willing to submit to your decision as to whether a contract is in effect or not.

Detmers: Then I think you had better sign.

Michael: We will not agree to sign anything. This contract provides for arbitration and on this contract as written we stand.

Samson: But you say you are not a party to the contract.

Michael: But it was arbitrated and tied up and went to a seventh arbitrator. That is why we are here. It is up to the chairman here to say if he wants to go on and hear as set up in the contract as to whether there is a contract in force between the Monument Theatre Corporation and F B O. If in his judgment there is a contract in force, naturally his decision would be accordingly. In that case then the Monument Theatre Corporation has within their power to carry the case to court but can't go in until heard before an arbitration board. It has been heard in arbitration.

Detmers: The arbitration is not completed until the seventh arbitrator has heard the case? In order for arbitration to be completed so you may have the right to go into court, it must be heard in the presence of a seventh arbi-

trator? Therefore, you do submit to the seventh arbitrator for such decision. That being your statement there is no reason why you should not sign the form.

[fol. 1376] Michael: Because such signing would jeopardize our rights.

Detmers: But you make the statement that you are willing to submit to me——

Michael: They are hearing the case upon the contract submitted.

Detmers: On what terms are you here? It must be to submit to the seventh arbitrator whether you are a party to the contract. I don't see why—what objection to your putting in writing what you have stated verbally.

Michael: We state that the parties are willing to arbitrate because before they can go into court, it must come before arbitration. Now the board has gotten up to this point and can't go further until this provision is provided for. The hearing in this action is whether or not the Lafayette Theatre is a party to these contracts and that is for you to decide.

Samson: Any decision made by you would be without value and effect to either party, unless they agree to abide by your decision. You will still retain all court rights but you must agree to abide by the decision of the seventh arbitrator.

Detmers: How would it do for you to sign a statement reading like this: "The Monument Theatre Corporation agrees to submit the case to arbitration in accordance with the 21st Clause of such and such a contract"?

Michael: Well we have already done that. Do you want to sign the agreement that Detmers suggests?

Detmers: That is what you will do in effect.

Lorence: It is up to the seventh arbitrator to decide whether or not there is a contract in existence.

Detmers: Before he can decide that, he has to have the case, and before that you have to submit.

Lorence: If you should decide that there is a contract between us, we would then be compelled to submit to arbitration. If not, they could penalize us, in other words they would attempt to shut off film. This thing goes into effect immediately.

Detmers: You must submit in writing over your signature, because I can't take one side of the case and hear it where you are free and can't be bound.

[fol. 1377] Michael: This party is here to arbitrate in accordance with the terms of the contract.

Samson: They deny existence of the contract.

Michael: In our case we deny this contract and held or they had held before that the contracts were not properly signed. When I say we, I mean the exhibitor, and before you can go to court you must first submit to a board of arbitration. We say we are here to arbitrate in accordance with this clause and it is not necessary to have papers signed further than that. That is why they refuse to sign waiver.

Detmers: This is so clear to me. Why you are trying to throw dust in the air, I can't see. You have no standing here except by reason of the terms of this contract and you deny there is a contract. Unfortunately you have no standing here unless you sign a paper of some kind. I don't mind saying you do submit to me the question is there a contract.

Lorence: The usual procedure is that if one side refused to sign, they go ahead and hear the case whether he signs the submission form or not. We are here in answer to a summons.

Detmers: Yes.

Michael: We are here to find out whether this is a contract in existence.

Samson: We are here to submit any question to arbitration. The contention of F B O is that they have a contract. Yours is that you do not have a contract. Whatever the contention is we want Detmers decision and we want this agreement in writing to agree to submit to his decision.

Michael: We don't agree to submit to any decision.

Samson: Then F B O can go into court.

Michael: If these people agreed to submit to your decision—if they signed such an agreement they can't go into court.

Jacobson: You should know the conditions of the contract.

Detmers: No, I do not.

Dixon: They said the man had no authority to sign. We took the contract in good faith, and this is what we are up against.

[fol. 1378] Detmers: He has a right under the contract.

Samson: Going to court on the grounds as to whether there is a contract is judiciary, but is not for the arbitrators. It is a judiciary matter as to whether the contract is properly signed. Under the contract, if both parties are willing to submit to arbitration that means submission to arbitration and does not interfere with either party resorting to legal action. Without a written agreement to abide by the decision of the seventh arbitrator I don't see where the arbitration board can act. Your decision does not take any right from either party as far as going to court is concerned.

Michael: We admit that but when you say they sign a paper and agree to abide——

Dixon: What is your idea of being here and have this man waste his time by coming to sit as a seventh arbitrator if you don't want to do something?

Michael: I am not here to answer questions. I am representing the Lafayette Theatre and the idea of bringing this up was not my idea. We have agreed to arbitrate this question and we do not agree to sign any paper that ties these people up, thereby taking away any of their legal rights.

Samson: Neither does F B O.

Dixon: We were here on this date and Detmers was here and I was willing to sign and agree to arbitrate and also was willing to abide by Detmer's decision and I want it noted that Michael, who had authority from Jacobson a stockholder in the organization and Lorence, who is manager, stated that Michael had authority, that he would not submit to arbitration, so we are, therefore, entitled to go to court as we have fulfilled the terms of the agreement of our contract.

Michael: Would like a ruling on this that we have not refused to arbitrate. We have refused to sign any papers that we would agree to abide by the arbitrators decision thereby disbarring us from taking the matter into court.

Now these people are ready to take the matter into court and are not going to sign away any of their rights. We have not refused to arbitrate.

Dixon: We have rules and regulations.

Detmers: As I understand the matter, each of you are intending to go to court with this proposition.

[fol. 1379] Samson: F B O is willing to sign and abide entirely by your decision.

Detmers: You are both prepared to go to court?

Samson: F B O are prepared to abide by your decision.

Detmers: In order that I may give this matter my attention now, it seems to me that both of you better agree to submit this question to a seventh arbitrator. If he decides either way, then you can fall right back on your legal rights, but if the seventh arbitrator does not make a decision, neither of you can take steps unless Michael says I was perfectly willing to submit to arbitration and the other fellow wouldn't submit to arbitration.

Michael: We have agreed to arbitrate, but we have not agreed to abide by your decision.

Detmers: But you are willing to set forth your claim?

Michael: We submit to a hearing before the seventh arbitrator without waiving any of our court rights.

Detmers: This——

Dixon: Under those conditions I will sign the same statement.

Samson: Monument Theatre Corporation will agree to submit to arbitration and F B O will sign that the matter be submitted to the arbitrator.

Detmers: This is my idea: "We hereby agree to submit to arbitration by the seventh arbitrator the question as to whether a contract or contracts exists or exist between the parties hereto."

Michael: "We hereby submit to arbitration before the seventh arbitrator as set up in the contracts admitted in evidence by F B O".

Dixon: What is the objection to the first form?

Michael: The only thing we want on record is that we are appearing in accordance with conditions in clause so and so in the contract which procides for a seventh arbitrator in case of a tie vote, it being claimed by the Film

Booking Offices of America Inc. that such contracts under date of 10/6/26—12/20/26 No. 9611, 9612, 9613 and 9872 are in existence and valid.

[fol. 1380] Michael: This case was heard with reference to these particular contracts. That was the case here before when it went to a tie vote. How we ask that if it is going to be heard further that it be heard on what we acted on before and nothing different. Going to hear on the evidence submitted as heard before the Joint Arbitration Board.

Samson: Michael is entirely without his rights to suggest what is to be heard. The complaint is exactly the same as was introduced and resulted in a tie vote. You can get what information you see fit, elsewhere. It is up to you to ask the questions and get what information you feel you need.

Jacobson: We won't sign any papers. We don't acknowledge the contracts. We have no agreement to arbitrate.

Samson: There being no willingness on the part of the Monument Theatre Company to submit to arbitration I feel that the Board cannot order Michael to submit to arbitration and F B O exercise its legal rights.

Detmers: Michael, you appear for them. Has Jacobson expressed your views?

Michael: Jacobson expresses his views as a director. I have given my views. If they refuse to sign any papers it is entirely up to the-. In my opinion their rights would not be jeopardized by signing any such paper.

Detmers: Your rights would not be jeopardized.

Jacobson: I am not an attorney. We are here—

Detmers: In order to carry the thing any further, it must be submitted to arbitration.

Jacobson: I want to call attention to copies of letters sent to the film companies that contracts would not be recognized unless signed by the proper authorities.

Detmers: Does he expect to give the testimony?

Michael: I can't control Jacobson's views. I explained my stand. Do you care to go on with arbitration so far submitted? By that I mean to submit to the seventh arbitrator the question of whether or not there is a binding

contract in existence between F B O and your Corporation? [fol. 1381] Jacobson: Yes, we submitted.

Michael: You are willing? Then if you are willing to go on with the case are you willing to sign any paper covering that point?

Jacobson: No, I am not willing to sign any paper unless authority to sign for the corporation.

Detmers: You can sign. He was designated you as representative.

Michael: He has not given me power of attorney. I was not asked whether I had power of attorney to sign.

Dixon: I am perfectly willing to sign what is fair.

Michael: We have said we will arbitrate but have not said that we will abide by any decision. We are here to arbitrate.

Samson: This case will be arbitrated on a complete understanding of clause you dictated.

Detmers: Is that agreeable to you?

Dixon: Yes.

Michael: Yes.

Detmers: Will you kindly state your reasons for your side of the case?

Dixon: On the date of the contract. Mr. Sam Katz, my division manager, who is my superior officer, and myself went to the Lafayette office to sell two pictures. One was Red Grange in One Minute to Play which I have in evidence and Kasher Kitty Kelly which I have on evidence.

Detmers: What date was that?

Dixon: 6th day of October. We wanted $7,000 for the two pictures and Haines, who was manager of this theatre said it would be impossible to pay $7,000 for these two pictures. We discussed the matter and asked him if there wasn't some other way we could sell him other pictures, and he said yes. I will buy two pictures at $2,000 and one at $1500 and accept five pictures of ten which the contracts states and shows that he was to pay or play for five pictures out of ten. We sent all other pictures to the Lafayette Theatre for screening and they rejected them stating they [fol. 1382] didn't want them so that left only the five pictures to be paid for under the agreement of our contract. We lost, as you will see, $2500 on these two pictures and the balance of $4800 on the feature contract.

Detmers: How much?

Dixon: Approximately $2500. That is $3500 out of $7000 which we originally wanted.

Detmers: Where is the $4800?

Dixon: The other contract here. Then when we made this agreement Haines signed for KKK and RG and the contract with the ten features of which five were to be played out of the ten. These contracts were signed with the permission of Mr. Slotkin, the general manager of the company, which the minutes will show. My superior officer was with me. We then delivered Red Grange. They honored Haines signature, and played One Minute to Go. Then they played KKK on Haines signature, which is the same as the four contracts I am submitting. The confirmation of which I have proof and can show you where we sent out in due form and in regular form along with KKK and RG contracts. Examine all evidence and letter from them also. Here is the confirmation of the pictures. They were all sent to them. Here is another of the pictures. Everything went through in due form. They played two pictures and after playing KKK Slotkin told my superior officer that he would not play any pictures signed for by Haines, but they had already played two. Then about two weeks after Haines bought another contract with comedies and single reels, these contracts were also honored and they played comedies and single reels. How they honored and played pictures on three contracts and our contention is that is one contract is good with the signature of Haines, all contracts are good. They are jeopardizing every exhibitor in Buffalo and costing us a lot of money. We sold these pictures in good faith and we are losing money because they picked out two of the best pictures we had and played them and made money, and we don't share in the profits, and that contract was sanctioned by Slotkin and as I say I have had my superior officer to prove everything I said, I wasn't alone in it. We consider it a big deal. We have evidence where Lorence, the manager, wrote us stating that he would screen these pictures. These pictures they deny signing for. They wrote us to have the pictures sent over to screen. In other words, if they had been the Big Parade or phenominal pictures, they would have taken them. In other words, they are not willing to live up to this agree-

ment. I can prove to you that every contract Haines signed they honored.

[fol. 1383] Dixon: I have a letter dated 3 24 here. (Read into the records) I claim those contracts are absolutely good and the *the* thing I want to bring out is that they have already played on three of these contracts and they are rejecting four, and I am perfectly willing that you should arbitrate the case and I submit it to you with all good faith and judgment.

Detmers: You claim that they played KKK on a contract with this same signature?

Dixon: Yes. And my contention is that we have lived up to everything in our contract.

Michael: So that you can get the statement of the record as made by Slotkin as to how these pictures were played and why. I want to refer to the records of the hearing that Slotkin appeared at. He happens to be away sick at this time. Slotkin says "These pictures (referred to KKK and RG) were booked in my office, and I told Haines to sign it. I stood at his side when he signed it. Haines never had any authority to sign contracts unless I told him to do so. On the two pictures Kosher and Red Grange I was there and authorized Haines to sign, but I do not know of any other contracts." The question was asked by the chairman "You say you gave Haines authority to sign contracts for two pictures, Kosher and Red Grange?" And his answer was "Yes, I gave Haines authority to sign the contract for the two pictures Kosher and Red Grange." At that hearing Dixon says as follows: "We signed contract for Kosher and Red Grange and then Haines says I will talk to you within ten of fifteen minutes. So Haines signed the contracts for the five Gold Bond series. Now at that time Slotkin claims he was not present and didn't authorize Haines to sign anything except the two pictures. Now I am going to ask you to compare these contracts which the Monument Theatre Corporation submit in evidence and I am going to ask you to compare the signatures of these contracts. On this one here which is for both subjects, which was part of this original hearing there is no signaturee of Haines or anybody else. You will notice their copies have the signatures of Haines. These con-

tracts when confirmed to the exhibitor under any and all cases must be identical and not changed in any way. I show you here one contract that is not signed at all. That is part of this controversy. And the further contention of this corporation is that these signatures as signed on the remaining three are not alike. Slotkin who is the manager of the theatre, says he did give authority to Haines to sign for these two contracts, and they were played in accordance with the terms of the contract. Now as far as letters from the corporation as being sent out showing who had author-[fol. 1384] ity to sign certain contracts, there was a letter sent out prior to the one presented to you by the film exchange and I am going to ask Jacobson, when did this same letter go out? On the authority to sign contracts, prior to the one submitted?

Jacobson: I didn't know a contract was signed by Haines. I went to the office and dictated a letter to all the film companies and about a month of five or six weeks we had an organization meeting and I brought before the directors and they decided to notify the film people as to just who had authority to sign and countersign and I sent letters signed by me as president.

Michael: Statement was made that these people lost $2,500 in playing of pictures.

Detmers: I don't care how much they get or lost.

Michael: There was no other contract. There is no contract in evidence between the operators of the Lafayette Theatre and the F. B. O. Lafayette Theatre is operated by a corporation known as the Monument Theatre Corporation and there is no contract in evidence that has been signed by this corporation. The fact that Slotkin played any pictures that were signed for by Haines did not tie up the Monument Theatre Corporation, the operators of that house. The fact that the Lafayette Theatre played K. K. K. and R. G. under a contract signed by W. A. Haines, in his capacity as manager does not bind this corporation on any other contracts that are in the case.

Dixon: May I say something please?

Michael: Want to present and leave with you the complete minutes of the hearing which Slotkin attended also the confirmed or approved copies that the theatre has submitted to me. Would like to question Lorence on these

contracts, if I may. He is the manager of the house. Do you know where these contracts were signed? As to the two pictures which you have played?

Lorence: I wasn't present but Slotkin stated that the two contracts, one for K. K. K. and the other for R. G. were signed down stairs in his office under his direction. While the contract for the other subjects, five out of ten, which is in question, I know nothing about.

[fol. 1385] Detmers: What is Haines?

Lorence: Was house manager, Slotkin was General Manager.

Detmers: What is a house manager?

Lorence: Takes care of the theatre, in fact has no authority to buy film.

Detmers: What are the duties ordinarily?

Michael: Ordinarily—directing that house, seeing that the show is properly run.

Dixon: Wish you would notice the confirmation. It is there and the dates of the contracts and the claim. And they say they didn't know until a long time after that Haines signed any contract.

Michael: That has been explained that the contracts were signed without any knowledge of Slotkin or the corporation.

Dixon: May I ask who receives the mail?

Lorence: The manager receives all mail and opens and takes it to Mr. Slotkin.

Dixon: Here is another thing I would like to bring out, I claim that by playing the pictures on the contract they ratified the contract. The signature was possibly overlooked.

Detmers: Dixon, on the contract of 10 6 26—is that the one that provides for the playing of five out of ten on which Haines signature appears?

Dixon: Yes.

Detmers: Is that the one he signed in your presence?

Dixon: Yes and Katz'.

Detmers: On the 10 20 26, did he sign that in your presence?

Dixon: Yes sir, and in the presence of Mr. Katz.

Detmers: Notice that the signature on 12/20 contract differs in formation of some of the letters. That has no significance in your mind?

Dixon: Yes, I saw him sign it.

[fol. 1386] Telegram of 5/16 submitted.

Michael: This wire was ruled out at the previous hearing because of the fact that the party was discharged by Slotkin.

Dixon: You mean it was ruled out by Michael not by the arbitration board.

Lorence: Slotkin states he stood over Haines while he signed the individual contracts but not on the others, and that is his contention that the others were signed without authority.

Dixon: Didn't have signed at the same time. This one, here, Detmers, was signed while Slotkins was in New York and we had no idea as to the man's authority and we delivered the comedies and they played them.

Michael: I want to call your attention to the statement where they went back to Haines to get him to sign additional contracts, and he said I will see you people in fifteen or twenty minutes.

Letter 3/29 given Detmers.

Detmers: Who is Lorence? You had authority to write this letter?

Lorence: I was told to write and reject the pictures. Slotkin told me to write and I wrote. There is no question of this being valid.

Michael: Want to say that these contracts that are submitted supposedly signed by the Lafayette Theatre by Haines, they are not signed even as manager of this theatre. Anybody can go into a house and have anybody sign contracts and without authority vested in them by the corporation, but the corporation cannot be bound by it. Our contention is that none of these contracts were properly drawn up.

Dixon: I would like to ask, with your permission, Michael and Jacobson said that six weeks prior to the letter that I received, stating authority the Lafayette Theatre sent out another letter. Is there any exchange man present that ever received such a letter.

Detmers: Don't think it is necessary. On this last contract 12/20 did they receive those films?

[fol. 1387] Dixon: They played in all about 12.

Detmers: That is right?
Lorence: Short subjects were played.

Adjourned.

[fol. 1388] Ex 43-G

December 27, 1926.

Mr. W. A. Haynes, Lafayette Theatre, Buffalo, N. Y.

Dear Mr. Haynes: Attached hereto please find approved copy of contract covering short subjects, recently signed with us.

Again thanking you for this business, we are,

Very truly yours, Film Booking Offices of America, Inc. —— ——, Branch Manager.

HTD:JG.

[fol. 1389] Ex. 43-H

Lafayette Square Theatre, Offering High Class Vaudeville and Photo Plays

Monument Theatre Corporation, M. Slotkin, General Manager

Buffalo, N. Y., January 27th, 1927.

Film Booking Office, 505 Pearl St., Buffalo, N. Y.

Gentlemen: It has come to our attention that unauthorized persons have signed contracts for pictures. We, therefore, beg to advise you that no contracts signed up to date, now or in the future, will be recognized by us unless signed by Mr. Slotkin, Vice President, until further notified by this company.

Yours very truly, Lafayette Square Theatre. S. Jacobson, President.

[fol. 1390] Ex. 43-I

Lafayette Square Theatre, Offering High Class Vaudeville and Photo Plays

Monument Theatre Corporation, M. Slotkin, General Manager.

Buffalo, N. Y., March 24th, 1927.

Film Booking Office, 505 Pearl St., Buffalo, N. Y.

GENTLEMEN: You are hereby notified that from this date all contracts for pictures must be signed by the General Manager and countersigned by the Chairman of the Executive Board or the President of this Corporation and must bear the seal of the Corporation.

Below are the signatures of those authorized to sign.

Chairman of Executive Board: M. Ullman.

President of the Corporation: S. Jacobson.

General Manager: M. Slotkin.

Yours truly, Monument Theatre Corp. E. A. Gill, Asst. Secty.

[fol. 1391] Ex. 43-J

Lafayette Square Theatre, Offering High Class Vaudeville and Photo Plays

Monument Theatre Corporation, M. Slotkin, General Manager

Buffalo, N. Y., March 29, 1927.

Film Booking Offices, 505 Pearl St., Buffalo, N. Y.

GENTLEMEN: After screening both "Her Father Said No" and also "Tarzan and the Golden Lion" we find that these subjects are unsuitable for exhibition at this theatre.

We are screening, today, "Mother" and will notify you just what are our reactions to this subject.

Effective, with the week starting April 17, 1927, we will spot book all short subjects hence we would request that you eliminate them from consecutive booking starting in with "The Rug Fiend" and on the 24th "He Couldn't Help It."

We will use these subjects, no doubt just as fast as previously, but the uncertainty of securing sufficient advance information as to the length of feature subjects makes this move necessary.

Thanking you for your co-operation, we remain,

Very truly yours, H. Lorence, Manager.

[fol. 1392] 138

Claim Summary

Joint Board of Arbitration, Buffalo, New York

Town: Buffalo. Theatre: Rivoli. Complainant: Tiffany. Amount: $2.10. Date: Filed 10 5. 1st Notice 10 5. Summons: 10/22. Date: Award 10 29. Amount Security: $100. Date: Deposit 11 6. Suspension 11 13. Settled 11/16/28.

Withdrawn ——. Settled B. A. ——.

Dismissed by Board of Arbitration and why: ——.

Members	Contracts	Deposit	Suspension
Chase Pictures Corp	0	...	...
Columbia Pictures	...	...	...
Educational Film Ex.	0	...	...
F B O Pictures Corp	...	11/6	...
First Graphic Ex.	0	...	...
First National Pictures	...	11/6	...
Fox Film Corp.	0	...	...
R. C. Fox Exchange	...	...	...
Gotham Pictures Ex.	...	11 6	...
Metro-Goldwyn-Mayer	...	11/6	...
Paramount Famous Lasky	0	...	...
Pathe Exchange	...	11/6	...
Supreme Film Exchange	0	...	...
Tiffany-Stahl Prod. Inc.	...	11/6	...
United Artists Corp.	...	11/6	...
Universal Film Exchange.	0	...	...
Warner Bros. Vitagraph	...	11/6	...

Remarks: Settled 3:50 P. M. Phoned all exchanges, E. A., 11/16/28.

Metro-news, Pathe—2 reel comedy.

To dinner on day sus

R. Rappaport.

[fol. 1393] 139

Form No. 4

City of Buffalo,
State of New York,
County of Erie:

In the Matter of the Arbitration of Tiffany-Stahl Prod. Inc., Distributor, and S. Kozanowski, Rivoli Theatre, Buffalo, N. Y., Exhibitor.

We, the undersigned arbitrators, having been duly appointed to arbitrate the matter in controversy existing between the above named Distributor and Exhibitor as by the provisions of the contract between said Distributor and said Exhibitor provided (or by the conditions of their submission in writing executed by said Distributor and Exhibitor respectively and sealed with their respective seals and duly acknowledged) and after having taken the oath and after hearing the proofs and allegations of the said parties and due deliberation having been made we do hereby award, determine and order; that is to say:

(Here express in clear and precise terms the award so that nothing shall be lett uncertain. The award should be final in its terms so as to terminate the controversy.)

That: S. Kozanowski, Rivoli Theatre, Buffalo, the exhibitor, pay to Tiffany-Stahl Prod. Inc., the distributors, the sum of $2.10 within seven days from the date of this award as damages caused by the failure by the exhibitor to pay for advertising. For failure to fully comply with this award within the time specified, the sum of $100 is fixed as the maximum amount which distributors, having contracts with this exhibitor, may demand pursuant to the Arbitration Clause contained therein, as security for the faithful performance of each such contract.

In witness whereof we have subscribed this award this 29th day of Oct., 1928.

Lewis Isenberg (L. S.), Bernard Zaborowski (L. S.), H. T. Dixon (L. S.), E. K. O'Shea, Sr. (L. S.), Howard F. Brink (L. S.), B. B. Krystaniak (L. S.).

STATE OF NEW YORK,
County of Erie:

On this 29th day of Octo., 1928, before me, a Notary Public in and for said County and State, personally appeared Lewis Isenberg, B. Zaborowski, H. T. Dixon, Howard F. [fol. 1394] Brink, B. B. Krystaniak, E. K. O'Shea, known to me to be the individuals described in and who executed the foregoing instrument, and they duly acknowledged to me that they executed the same.

E. M. Abplanalp, Notary Public. My commission expires 4/11/30.

[fol. 1395] 140

TIFFANY

versus

RIVOLI THEATRE, Buffalo

Isenberg—Krystanika—Zabrowski—O'Shea — Brink — Dixon.

Claim read by chairman.

Michael: In this connection if you will show where this exhibitor ever signed a contract, he will pay the $2.10. This exhibitor instructed me to make this statement. If Tiffany will show a signed contract covering these productions that he will pay this amount. If they can't show a signed contract—

O'Shea: Would like to ask exhibitor if these pictures were played.

Michael: The only way I can answer is that he says he never signed a contract for these pictures, and, therefore, doesn't owe this amount. He made no statement to me that he even played the pictures.

Dana: The pictures were spot booked, played and paid for. The advertising wasn't billed somehow or other and when it was sent to him he refused to pay the bill. The pictures were played and paid for—they were served him on spot bookings.

Michael: This exhibitor has said he never signed the contract.

Dana: We admit that.

Michael: He denies that he used the advertising.

Dana: I want Michael sworn in.

Michael: He denies ever entering into a contract for these pictures and for that reason refused to pay any part of it.

O'Shea: Did the exhibitor play these two pictures and pay for them?

Dana: Yes, he did.

O'Shea: I think Michael's evidence should be ruled out.

Motion—Brink: In favor of exchange in the sum of $2.10 for advertising. Seconded by Isenberg. Carried. Max. Dep. $100.

[fols. 1396 & 1397] 141

Form No. 1

Board of Arbitration

Complaint

Received

12

11 1

10 2

9 Min 3

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7 5

6

Oct. 5, 1928

Film Board of Trade

Dear Sir: We attach hereto a contract entered into with Mr. S. Kozenowski, exhibitor, operating the Rivoli Theatre at Buffalo, in the City of N. Y.

We respectfully complain against said exhibitor as follows:

(Here insert a plain and concise statement of facts.)

Because of their failure to pay for advertising which was purchased Feb. 11th, in the amount of $2.10 we are hereby filing claim for this amount.

We desire you to advise the exhibitor of our claim, and if it is denied, or if the exhibitor fails to respond to your

communication, or if an answer is received and it is not satisfactory to us, we desire our claim brought before the Board of Arbitration for determination.

Very truly yours, Distributor, Tiffany Stahl Prod. Inc. Manager, P. T. Dana. (CWZ.)

Certified Correct. CWZ.

[fols. 1398 & 1399] GOVERNMENT EXHIBIT 16

Milwaukee Film Board of Trade Arbitration Case

[fol. 1400] Ex. No. 29

November 5th, 1926.

United Artists Corp., 804 So. Wabash Ave., Chicago, Ill.

GENTLEMEN: In accordance with information sheets submitted to this office, you contracted for service to the Auditorium Theatre, Cuba City, Wisconsin on February 4th, 1926, and June 18th, 1926, for various pictures.

At the time these contracts were made, this exhibitor was on allocation by the Film Board of Trade and had 145 pictures with various members of this Board to play.

This exhibitor has failed to comply with the allocation and has still 84 pictures to play on these original contracts.

If you are serving this exhibitor on contracts, I refer to, you are doing so in violation of the rules.

We trust you will give this your immediate attention.

Yours very truly, Milwaukee Film Board of Trade, ——— ———, Secretary & Counsel.

BK: S.

[fol. 1401] Ex. No. 30

United Artists Corporation, Chicago, Illinois

November 10, 1926.

Mr. Ben Koenig, Secretary Milwaukee Film Board of Trade, Milwaukee, Wisconsin.

DEAR MR. KOENIG: Replying to your letter of November 5 relative to information sheets submitted to your office, in

which we set forth that we hold contracts with the Auditorium Theatre, Cuba City, Wisconsin, we find that the allocation sheets specified that the last pro-rate day for this house was October 10, 1926, and while we took contracts from this theatre, pictures were not supplied until after the last pro-rate day.

As this theatre is not shown on the "failure to comply" list, and as the last pro-rate day is shown as October 10, we fail to see where we are in violation of any rules. It would seem to the writer that in a case of this kind, if the exhibitor is not complying with existing contracts, complaint should be filed against him and he be properly listed then on the "failure to comply" list.

Trusting this will explain the matter satisfactorily and with best wishes and the writer's kindest personal regards, we are

Yours very truly, United Artists Corporation. F. R. Martin.

[fol. 1402] Ex. No. 241

October 14th, 1926.

Mr. Geo. Bc. Wiggins, Minneapolis Film Board of Trade, Film Exchange Bldg., Minneapolis, Minn.

Dear Mr. Wiggins: In reply to your letter of October 12th, 1926, with reference to the Eau Claire Theatre Company in regard to putting up deposits with First National and Paramount for service in Chippewa Falls, Wis., will say that it no doubt is understood that the deposits only cover the existing contracts and that immediately upon the termination of such contracts no new service is to be sold until satisfactory arrangements have been made with the various Distributors.

Further answering your letter will say that upon the Eau Claire Theatre Company submitting a settlement, we will take it up with the various Exchanges involved and submit some to them for their approval.

Yours very truly, Milwaukee Film Board of Trade.
—— ——, Secretary & Counsel.

BK: S.

[fol. 1403] Ex. No. 219a

Proceedings at Meeting of Presidents Representing Nine Film Boards of Trade in Central Territory Held in the Offices of the Chicago Film Board of Trade, Tuesday, July 17th, 10:00 A. M.

Attendance:

Messrs: H. C. Dressendorfer, Indianapolis Film Board of Trade; A. H. Fischer, Minneapolis Film Board of Trade; H. D. Graham, Kansas City Film Board of Trade; Frank Harris, St. Louis Film Board of Trade; W. A. Kaiser, Cincinnati Film Board of Trade; Geo. Levine (Represened by B. Koenig), Milwaukee Film Board of Trade; Samuel MacIntyre, Omaha Film Board of Trade; H. O. Martin, Secretary, Chicago Film Board of Trade; E. Silverman, President, Chicago Film Board of Trade; Harry M. Weinberg, Des Moines Film Board of Trade; C. C. Pettijohn, General Counsel M. P. P. & D. of A., New York, N. Y.

Mr. E. Silverman presided at morning session.

Mr. H. O. Martin presided during afternoon session.

Meeting convened pursuant to call for meeting of July 2, 1923, setting date for July 17, 1923, in the Chicago Film Board of Trade offices at 10:00 A. M.

The following resolutions were unanimously adopted:

1st. Upon a finding of any Arbitration Board, each Film Board of Trade serving overlapping territory shall be fully advised of the nature and full details of the Arbitration Board decision.

2nd. Chicago Film Board of Trade Form No. 7 to be furnished Film Boards serving interlapping territory so their play dates may be properly protected in event of a settlement.

3rd. Free will selection of Exchange Managers to serve on the Joint Arbitration Board by a legal election of said Members by both Film Boards and Exhibitor organizations.

4th. Complain-s shall be heard by the Arbitration Board with whom complaint is filed, unless, however, both parties to the controversy, for the sake of convenience or for other

[fol. 1404] good and sufficient reasons, wish to transfer to another Arbitration Board. (It was the consensus of opinion that if a case is filed at Chicago and the Arbitration Board there makes a decision, it is just as important that the Milwaukee or Indianapolis Film Boards of Trade honor the decision.)

5th. That all new members who have joined the various Film Boards of Trade subsequent to June 1st, 1923, be asked to file with the Secretary of the local Film Board the consent of their home office or local owner.

6th. That in all dealings, it must be borne in mind that Film Boards of Trade, in all instances, honor the findings of the local Joint Arbitration Board—and not the Flm Board of Trade.

7th. That each Film Board of Trade retain a clean, intelligent and, preferably, young lawyer who shall be consulted only when necessary, and a man of such caliber and standing that most or all of the Exchanges in that territory would be glad to give him their individual business and make it a worth while proposition for a worth while man.

(Note.—This resolution should be embodied in a communication by each Film Board of Trade President and addressed to Mr. Pettijohn for presentation to the home offices of the various distributing companies.)

8th. That Mr. Pettijohn be furnished on the first day of September, 1923, with a budget that each Film Board thinks necessary to operate their organizations, same to first be approved by all independents, and then forwarded to New York.

9th. To watch the Express Companies' auctions with a view of buying up all undelivered films.

10th. All Presidents to request members of their local Film Board to write a letter to their home offices expressing satisfactory results obtained from them through the operation of the Film Board and the splendid assistance gained thereby.

11th. Each member should issue instructions to all stenographers and correspondents that they furnish the lo-

cal Film Board Secretary with copies of any letters relating to violation of contract or dealing with any breach of the standard of ethics that are now being compiled by the St. Louis Film Board of Trade, said ethics to be printed [fol. 1405] in a booklet which will be mailed to every exhibitor in the territory by the Film Board of Trade. After exhibitor receives the booklet, then the Exchange will feel at liberty to call any exhibitor's attention to the violation of ethics or contract contained in that booklet, a copy of that letter shall be made automatically by the stenographer and shall be forwarded to the local Film Board of Trade Secretary.

St. Louis Film Board of Trade have purchased a four-drawer file, a set of guides and folders and have in this file established a record of all the "bad boys," and if the "bad boy" continues his tactics, you are going to have that information here, but Blank Exchange may be a little weak and he may be lazy and not fill out this information, but with the operation of that system his stenographer automatically does that for him.

The Secretary gets these letters, reads the mover and "junks" those that amount to nothing, the rest going into that file to be available for the use of the Secretary only. If you find there is a complaint by a certain Exchange the Secretary can quickly ascertain if any of the other Exchanges are also effected.

Every element of information is there. When the exhibitor comes up for arbitration you have a compendium sufficient to indict that fellow completely.

Any time that any complaint is forwarded to the Board by an exhibitor it goes into that file. It is not intended that the Joint Arbitration Board be handed this file. It is intended that the Secretary of the Film Board attach a summary of this information to the general file relating to Blank Theatre which is as follows:

5 complaints regarding late returns.
3 complaints regarding damaged film.
Returned advertising credited, etc.

When this case comes before the Arbitration Board. Every conceivable complaint that any Exchange has ever had against that exhibitor will automatically lay in that file. The file consists only of second sheets and the thicker

that file becomes, the more complete is your information. It will also remedy every other evil that any member has ever complained of.

[fol. 1406] 12th. That each President submit to the Chicago Film Board of Trade a map constituting his territory, that is, the service supplies to the territory out of Cincinnati, Milwaukee, etc., to be compiled by each Exchange, and from these different maps a master map will be drawn by the Secretary of the Chicago Film Board showing at a glance where claims should be properly filed, and copies shall be supplied to each of the nine Presidents in any number they may require, the expense of which shall be prorated among the Film Boards. One copy of the Central territory master map shall be furnished Mr. Pettijohn so that a United States Film Board master map taking in all the Film Boards of Trade will eventually be drawn. This will be of great service to the home offices and may possibly bring about the unification of territory and the elimination of inter-lapping in all instances where it is possible to do so.

13th. The following letter to be used in requesting deposit from delinquent exhibitors:

—— Theatre Co., —— Theatre, Chicago, Ill.

DEAR SIRS: We are advised that facts exist which entitle us to demand of you, for our protection and as security for your performance of all existing contracts between us, payment of an additional sum, as provided in the Arbitration Clause of the contract or contracts now in force between us, (such clause being Section Nineteen of the "Uniform Exhibition Contract.")

We hereby demand that within seven days you pay us the sum of — Dollars ($—), to be held by us in accordance with the provisions of the above mentioned Arbitration Clause. This demand is made under each of the contracts existing between us, which includes such Arbitration Clause, but the total sum demanded is as stated above. If you fail to comply, we reserve the right to suspend service under, or to terminate all said contracts without further notice, or to take such other action as may be proper.

Yours truly, The A. B. C. Corporation, by —— ——,
Branch Manager.

[fol. 1407] The following suggestions were offered:

(a) That the nine central Film Boards hold their next meeting at Chicago within the next six months.

(b) The adoption of all methods which will eventually save overhead to exchanges by the operation of a central shipping department or any other consolidation that will tend to economize and at the same time render efficient service.

(c) The interchange of systems and methods adopted by the various Film Boards of Trade from time to time, and the dissemination of such information to all of the Film Boards in the United States.

(d) That the Chicago Film Board of Trade be furnished with the following information by each attending President:

(1) Rent of quarters,
(2) Salaries,
(3 Dues,
(4) Number of members,
(5) Revenues other than dues,
(6) Average monthly settlements,

which will be tabulated and returned to each President for comparative purposes and for the general good it will bring about in decreasing overhead.

Prior to adjourning, the gentlemen were cordially invited to take advantage of the offer of the Chicago Film Board of Trade to be of assistance to them in any way possible and to pass the good word around that history has been made at Chicago at this convention of Presidents, and it was the further sense of the meeting that each Film Board of Trade President throughout the entire United States be furnished with a copy of these proceedings for what good they may derive from it.

Respectfully submitted.

E. Silverman, Acting Chairman. H. O. Martin, Acting Chairman. J. D. Abramson, Acting Secretary.

[fol. 1408] Ex. No. 227

Minneapolis, Minn., May 22, 1926.

All Exchanges:

This is a plea for more carefully cooperation on the part of all our exchanges on accounts in territory which interlaps with the territory of other Film Boards.

We have recently had complaints from the Om-ha Board and the Milwaukee Board that accounts carried on their Credit information List and their List of Exhibitors who have failed to comply with Arbitration Board awards have been receiving service from Minneapolis. It is a definite, established policy of our Board that we shall co-operate to the fullest extent with other Boards. Each exchange manager has the responsibility of making certain that this is being done by his exchange.

Immediately upon receipt of this Bulletin, please report to the Office of the Secretary on whether your exchange is now, or has been, serving any of the accounts listed on Credit Information List No. 15 or List of Exhibitors who have failed to comply with Arbitration Board awards (No. 40), which accounts are in interlapping territory.

Very truly yours, Minneapolis Film Board of Trade.
G. B. Wiggins, Secretary.

[fol. 1409] Ex. No. 354

Form No. 4

City: Milwaukee.
State: Wisconsin.
County: Milwaukee.

In the Matter of the Arbitration of Mid-West Dist. Corp., Distributor, and Calligero & Johnson, Royal Theatre, Iron Belt, Wis., Exhibitor

We, the undersigned arbitrators, having been duly appointed to arbitrate the matters in controversy existing between the above named Distributor and Exhibitor as by the provisions of the contract between said Distributor and

said Exhibitor provided and after having taken the oath and after hearing the proofs and allegations of the said parties and due deliberation having been made we do hereby award, determine and order; that is to say:

(Here express in clear and precise terms the ward so that nothing shall be left uncertain. The award should be final in its terms so as to terminate the controversy.)

That the playing time of the Royal Theatre, Iron Belt, Wis., be allocated by the Secretary of the Arbitration Board, same to include an allocation of all pictures which this exhibitor has under contract with the various exchanges.

In witness whereof we have subscribed this award this 19th day of March, 1928.

O. R. Rieffel (L. S.), J. H. MacIntyre (L. S.), Sam E. Shurman (L. S.), A. L. Robarge (L. S.), Aug. Berkholtz (L. S.), Edwin L. Berth (L. S.).

[fol. 1410] STATE OF WISCONSIN,
County of Milwaukee:

On this 19th day of March, 1928, before me, a Notary Public in and for said County and State, personally appeared O. R. Rieffel, J. H. MacIntyre, Sam Shurman, A. L. Robarge, Aug. Berkholtz, Edwin L. Berth, known to me to be the individuals described in and who executed the foregoing instrument, and they duly acknowledged to me that they executed the same.

Sam Koenig, Notary Public. My commission expires August 18, 1929.

[fol. 1411] Ex. No. 356

April 3rd, 1928.

Calligaro & Johnson, Royal Theatre, Iron Belt, Wis.

Gentlemen: The following is an allocation of your playing time, in accordance with the award of the Arbitration Board:

April 14—Mid-West.
21—First National.
28—Mid-West.

May 5—Tiffany.
12—Mid-West.
19—First National.
26—Mid-West.
June 2—Mid-West.
9—Mid-West.
16—Tiffany.
23—Mid-West.
30—First National.
July 7—Mid-West.
14—First National.
21—Mid-West.
28—Tiffany.
Aug. 4—Mid-West.
11—First National.
18—Mid-West.
25—First National.
Sept. 1—Mid-West.
8—Tiffany.
15—Mid-West.
22—First National.
29—Mid-West.
Octo. 6—First National.
13—Mid-West.
20—Tiffany.
27—Mid-West.
Nov. 3—First National.
10—Mid-West.
17—First National.
24—Mid-West.
Dec. 1—Tiffany.
8—Mid-West.
15—First National.
22—Mid-West.
29—First National.

1929

Jan. 5—Mid-West.
12—Tiffany.
19—Mid-West.
26—First National.

Feb. 2—Mid-West.
9—Tiffany.
16—Mid-West.

Red Seal Serials with each show until completed.

Tiffany single reels with each date for Tiffany features. [fol. 1412 & 1413] No change is to be made in the above allocation unless it is with the consent of the undersigned.

Yours very truly, Board of Arbitration. ——, Secretary.

BK:S.

[fols. 1414-1448] GOVERNMENT EXHIBIT 17

Kansas City Film Board of Trade Arbitration Case

[fol. 1449] Claim No. 275

Complainant: First Natl. Pict.
= Co-Complainants: ——
Theatre: Rex — John Willey.
Location: Mulberry, Kansas.
Nature of claim: Bicycling.
Amount involved: min. $250.00.
Date claim received: 4 22 27.
Letter No. 1 mailed: 4 26 27.
Reply received: Yes.
Letter No. 2 mailed: 5 3 27.
Registered receipt received: Yes:
Reply received: Yes.
Arb. Board hearing: 5 10 27.
Exhibitor present: No.
Exchange present: Yes.
Arbitration Board decision: Exhi. pay Dist. $1,000—14 days. Sec. 500.
Letter No. 3 mailed: 5 10 27.
Registered receipt received: Yes.
Reply received: Yes.
Voluntary settlement: No.
X ——.
F See claim 275.
Completed ——.
Investigated ——.

Newspaper subscribed ——.
Cancelled ——.
Newspaper indicates ——.
Salesman reports ——.
Postmaster reports ——.
Theatre open ——.
Theatre open ——.
Theatre closed ——.
Theatre overbought ——.
Seating capacity ——.
Days per week ——.
Competitors ——.
Competitors ——.
Creditors' meeting held ——.
Date claim withdrawn ——.
Postponed to ——.
Final adjustment made ——.
Letter obtained from exhibitor ——.
Date contract and papers returned ——.
Statistics posted ——.
Bring papers out on ——.
Filed ——.

(Perforated line)

6/7/27.

	Yes	No	Remarks		Yes	No	Remarks
1				12			
2				13			
3				14			
4				15			
5				16			
6				17			
7				18			
8				19			
9				20			
10				21			
11				22			

No. —.

Ex. 131, P.W., 10/24/28.

[fol. 1450] Form No. 1

Board of Arbitration

Complaint

Date: April 21, 1927.

Kansas City Film Board of Trade, 1717 Wyandotte Street, Kansas City, Missouri.

GENTLEMEN: We attach contracts entered into with John Willey, exhibitor, operating the Rex Theatre at Mulberry, in the State of Kansas.

We respectfully complain against said exhibitor as follows:

(Here insert a plain and concise statement of facts.)

That by reason of the unauthorized exhibition of our copyrighted picture entitled The Scarlet West by the Exhibitor Mr. John Willey, at the Rex Theatre, Arcadia, Kansas, on April 18th, 1927, we claim an infringement of the copyright thereof under the United States Copyright Law and here by demand that the Board of Arbitration, in lieu of actual damages and profits, fix such damages as to the Board of Arbitration shall appear to be just, and in assessing such damages that the Board of Arbitration, in its discretion, allow an amount provided for by the Copyright Law of the United States, which law provides that in such case such damages shall not exceed the sum of $5,000.00 nor to be less than the sum of $250.00.

This picture was booked and contracted for at Mulberry, Kansas. The play date at Mulberry was Friday and Saturday, April 15th and 16th. The print was not received in Kansas City until the 20th. The attached label shows the picture was shipped from Arcadia. Mr. Eddie Green of Metro-Goldwyn advises he saw the picture advertised for showing in Arcadia.

How many pictures used on this contract? ——.

Last date on which service was used: ——.

Amount of claim: ——.

How figured: ——.

We desire you to advise the exhibitor of our claim and, if it is denied, or if the exhibitor fails to respond to your

communication, or if an answer is received and it is not satisfactory to us, we desire our claim brought before the Board of Arbitration for determination.

Very truly yours, First National Pictures, Inc., Distributor. (Sgd.) Wm. Warner, Manager.

Apr. 22, 1927.

(Please list on reverse side all unplayed service at time claim is filed.)

Ex. 132, P. W., 10/24/28.

[fol. 1451] Film Board of Trade, 1719 Wyandotte Street, Kansas City, Missouri

April 26, 1927.

Mr. John Willey, Rex Theatre, Mulberry, Kans.

Dear Sir: The First National Pictures, Distributor, makes a claim against you, alleging the following facts:

See attached statement.

Please answer at your earliest convenience if the facts claimed by the Distributor are true. If you dispute the facts or any of them, then make a plain and concise statement of the facts as you claim them to exist.

It is extremely important that we hear from you at your very earliest convenience.

Very truly yours, Film Board of Trade. ——— ———, Secretary.

Ex. 133, P. W. 10/24/28.

[fol. 1452] (In pencil handwriting)

Answer

Dear Sir: I was out of Town for a few week and i find that these pictures was used in Arcadia as you Say. But when i Bought these pictures i asked your salesman about Arcadia and He said the Best He Could do on Arcadia was $7.50 and i asked him to try and get me a Figure of $5.00 for Arcadia and He Said He would see that He Could Do.

I am comming in to K C in a few Days and i will see you. But send me your Bill and i will Send you a check for these Two pictures But it looks like $5.00 Exty is all a man should pay for a place like this. I have a Contract with Three other Co. and they only charge me $4.00 and $4.50 for Arcadia is so small.

I Received this letter this morning From Film Board on your claim But please Notice the picture for 15-16 Mulbery left Arcadia 18 at night in KC Tue morning 7 15 and this is just the same time as if it left Mulberry Monday for we can not ship From here on Sunday no agent. Here picture is the Service out of Mulberry Fri-Sat out Monday 4.15 in KC Either 9:40 that night or 715 Same as Arcadia.

John Willey.

So let me know at once on this.

(Rubber Stamp:) Date Received: Apr. 28, 1927.

- ☐ Manager.
- ☐ Office Manager.
- ☐ Accounting.
- ☐ Booker.
- ☐ Adv. Department.
- ☐ Inspection Dept.
- ☐ Shipping Dept.

Ex. 135, P. W., 10/24/28.

[fol. 1453] (Reverse side of Ex. 135)

(Figure of "McFadden's Flats" with hod-carrier with brick raised ready to throw and barber opposite with razor in left hand thumbing nose with other at hodcarrier.) Building has sign on it as follows: "Builders: Asher-Small and Rogers. Architect: Richard Wallace. For Vacancies, if any, see First National Exchanges. McFaddens Flats. Ready for occupancy about Jan. 1, 1927.

First National Pictures

April 26, 1927.

Mr. John Willey, Rex Theatre, Mulberry Kansas

Dear Mr. Willey: We have your letter of April 24th regarding the returning of films from Arcadia, Kansas.

This letter does not yet sufficiently answer our letters regarding two of our pictures being in Arcadia. We have positive proof that you showed "The Lost World" in that town without contract or authority from us.

Very truly yours, First National Pictures, Inc.
(Sgd.) T. O. Byerle, T. O. Byerle, Office Manager.

TOB:RP.

Ex. 135.

[fol. 1454] April 28, 1927.

Mr. John Willey, Rex Theatre, Mulberry, Kansas.

Dear Mr. Willey: Your letter to the First National Pictures, Inc., with reference to their claim against you, has been turned over to the writer, and the same will be referred to the Board of Arbitration, when this Claim comes up for hearing.

Very truly yours, Kansas City Film Board of Trade.
——— ———, Secretary.

Ex. 137, P. W., 10 24 28.

[fol. 1455] Form No. 3

Board of Arbitration, 1717-19 Wyandotte Street, Kansas City, Missouri

May 3, 1927.

Mr. John Willey, Rex Theatre, Mulberry, Kansas.

Dear Sir: On April 26, 1927 the Film Board of Trade here notified you of the claim against you by the First National Distributor based upon the facts set forth in such notice.

Please, therefore, take notice that in accordance with your agreement with said Distributor the said claim has been submitted to this Board of Arbitration for determination pursuant to the rules of Procedure and Practice now in force.

A hearing will be held at 1717 Wyandotte Street in the City of Kansas City, Missouri on Tues., May 10, 1927 at 1:00 P. M. o'clock, at which time you are respectfully requested to appear before this Board and you will then

be given an opportunity to be fully heard and to submit such evidence as you have bearing upon the said claim.

Yours very truly, Board of Arbitration, by ——— ———, Secretary.

Registered.

Ex. 139, P. W., 10/24/29.

[fol. 1456] Form No. 3

(Reverse side of Ex. 140)

Board of Arbitration, 1717-19 Wyandotte Street, Kansas City, Missouri

May 3, 1927.

Mr. John Willey, Rex Theatre, Mulberry, Kansas.

Dear Sir: On April 26, 1927 the Film Board of Trade here notified you of the claim against you by the First National Pict., Inc. Distributor based upon the facts set forth in such notice.

To this date you have not answered such claim.

Please, therefore, take notice that in accordance with your agreement with said Distributor the sale claim has been submitted to this Board of Arbitration for determination pursuant to the rules of Procedure and Practice now in force.

A hearing will be held at 1717 Wyandotte Street in the Impossible for me to come in—John City of Kansas City, Missouri, on Tues., May 10, 1927 at 1:00 P. M. o'clock, at which time you are respectfully requested to appear before this Board and you will then be given an opportunity to be fully heard and to submit such evidence as you have bearing upon the said claim.

Yours very truly, Board of Arbitration, by (Sgd.) A. L. Menagh, Secretary.

Registered.

Ex. 140.

[fol. 1457] May 5, 1927.

Wm. Warner, Branch Manager, First National Pictures, 1712 Wyandotte St., Kansas City, Missouri.

DEAR MR. WARNER: Below is a copy of letter we have received from Mr. John Willey, Rex Theatre, Mulberry, Kansas, in regard to your claim filed against him:

"Impossible for me to come in.

First National Salesman made me a price of $7.50, so I asked him to try and get me a $5.00 price for Arcadia, but their film was not late, so I did not think they would make such a mess of anything. And I told them I would pay them the $7.50, so this is all they ask for. Of course, I did not have my contract, but I am sure if they get their money, is O. K., I suppose the same as other Company.

There are three or four other Companies told me to use their pictures for so much, and I have done so, so I can't see all the big mess.

I did not make any film late in coming back."

Very truly yours, Kansas City Film Board of Trade.
—— ——, Secretary.

Ex. 141, P. W., 10/24/28.

[fol. 1458] (In ink handwriting)

Answer

DEAR SIR: First National Salesman also Made me a price of $7.50 So i asked him to try and get me a $5.00 price for Arcadia But their Film was not late so i did not think they would make Such a mess of everything. And i told them i would pay them the $7.50 So this is all they ask for Of corse i did not have any contract But i am Sure if they get their Money is O. K. i suppose the same as other Co.

There is 3 or 4 other Co. Told me to use their pictures for so much and i have done so. So i cant see all the Big Mess

I did not make any Film late in coming Back

John Willey.

Ex. 140, P. W., 10/24/28.

[fol. 1459] Form No. 4

City: Kansas City.
State: Missouri.
County: Jackson.

In the Matter of the Arbitration of First National Pictures, Distributor, and John Willey, Rex Theatre, Mulberry, Kansas, Exhibitor.

We, the undersigned arbitrators, having been duly appointed to arbitrate the matters in controversy existing between the above Distributor and Exhibitor as by the provisions of the contract between said Distributor and said Exhibitor provided (or by the conditions of their submission in writing executed by said Distributor and Exhibitor respectively and sealed with their respective seals and duly acknowledged) and after having taken the oath and after hearing the proofs and allegations of the said parties, and due deliberation having been made, we do hereby award, determine and order; that is to say:

(Here express in clear and precise terms the award so that nothing shall be left uncertain. The award should be final in its terms so as to terminate the controversy.)

Inasmuch as this is the second offense of a similar nature that John Willey, the Exhibitor, has committed recently, that the Exhibitor be required to pay to First National Pictures, Inc., the Distributor, the sum of $1,000.00 for the unauthorized exhibition of the production entitled "The Scarlet West" at the Rex Theatre, Arcadia, Kansas, under date of April 18th, 1927.

Upon the failure of the Exhibitor to fully comply with this award within fourteen days from the date thereof the sum of $500.00 is hereby fixed as the maximum amount which each Distributor a Member of the Film Boards of Trade having a Contract with the Exhibitor may demand pursuant to the provisions of the Arbitration Clause contained therein as security for the performance by the Exhibitor of each such contract.

In witness whereof we have subscribed this award this tenth day of May, 1927.

Exhibitors: (Sgd.) T. D. Block (L. S.), (Sgd.) Geo. E. Montray (L. S.), (Sgd.) G. A. Maloney (L. S.),
Distributors: (Sgd.) Harry Taylor (L. S.), (Sgd.) C. A. Schultz (L. S.), (Sgd.) Eph Rosen (L. S.).

Ex. 143.

[fol. 1460] P. 2 of Ex. 143

STATE OF MISSOURI,
County of Jackson:

On this 10th day of May, 1927, before me, a Notary Public in and for said County and State, personally appeared T. D. Block, G. E. Montray, G. A. Maloney, Harry Taylor, C. A. Schultz, and Eph Rosen, known to me to be the individuals described in and who executed the foregoing instrument, and they duly acknowledged to me that they executed the same.

(Sgd.) A. L. Menagh, Notary Public. My commission expires Sept. 25, 1930. (Notarial Seal.)

Ex. 143, P.W., 10 24 28.

[fol. 1461] Kansas City Film Board of Trade, 1717-19 Wyandotte Street, Kansas City, Missouri

Office of Secretary, A. L. Menagh

Telephone: Harrison 6902

August 31, 1927.

First National—Kansas City Office.

GENTLEMEN: We are returning your correspondence and contracts in connection with the Claim you filed against John Willey, Rex Theatre, Mulberry, Kansas.

Very truly yours, Kansas City Film Board of Trade.
(Sgd.) A. L. Menagh, Secretary.

(Date) Sep. 2, 1927.

We wish to acknowledge receipt of our complete file with the above named Exhibitor.

(Sign-) —— Exchange, by (Sgd.) T. O. Byerle.

Ex. 144, P.W., 10/24/28.

[fols. 1462 & 1463] Western Union

111 West 18th St., Kansas City, Mo.

5K EM 24

New York, N. Y., 951A Dec. 17, 1927.

Miss A. L. Menagh:

Recommend accepting settlement of Bicycling Claim against Willey Mulberry Kansas which may be offered by Biechele and Willeys attorney telephone Biechele to this effect.

Gabriel L. Hess. 929A.

The quickest, surest and safest way to send money is by telegraph or cable.

Ex. 145, P.W., 10/24/28.

[fol. 1464] First National Pictures, Inc., 1712 Wyandotte St., Kansas City, Mo.

Phone: Harrison 8623. Long distance: 196.

December 19, 1927.

Miss A. L. Menagh, Film Board of Trade, 1719 Wyandotte, Kansas City, Mo.

Dear Miss Menagh: We will withdraw our claim against Mr. Willey of Mulberry, Kansas, as soon as he has remitted to us $15.00 to cover the showing of "The Sea Hawk" and "Scarlet West", which he played at Arcadia, Kansas.

Very truly yours, First National Pictures, Inc.
(Sgd.) T. O. Byerle, T. O. Byerle, Office Manager.

TOB:RP.

This is First National Year: First National First.

Ex. 146, P.W., 10/24/28.

[fol. 1465] First National Pictures, Inc., 1712 Wyandotte St., Kansas City, Mo.

Phones: Harrison 8623. Long Distance: 196

December 23, 1927.

Miss A. L. Menagh, Film Board of Trade, 1719 Wyandotte, Kansas City, Mo.

Dear Miss Menagh: Mr. John Willey of Mulberry, Kansas, has sent us $15.00 which we agreed to accept from him

in settlement of our claim against him. Please withdraw our claim against him.

Very truly yours, First National Pictures, Inc.
(Sgd.) T. O. Byerle, T. O. Byerle, Office Manager.

TOB:RP.

First National First.

Ex. 147, P.W., 10/24/28.

[fol. 1466] December 28, 1927.

First National Pictures, Inc., 1712 Wyandotte St., Kansas City, Missouri.

GENTLEMEN: We have your letter of December 23rd, cancelling your award against John Willey, Mulberry, Kansas.

There are still several Arbitration Awards against this Exhibitor so please do not serve him with any pictures until I have advised you all Awards have been settled.

Very truly yours, Kansas City Film Board of Trade.
——— ———, Secretary.

ALM MY.

Ex. 148, P. W., 10/24/28.

[fol. 1467] December 28, 1927.

A. H. Cole, Manager, Paramount Famous Lasky Corp., Kansas City, Missouri.

DEAR MR. COLE: Will you kindly inform us as to whether or not John Willey of Mulberry, Kansas, has settled with you for an old Award which you hold against him?

It is necessary that this Award be settled before this Exhibitor can again get service. He apparently has straightened up with Universal and First National, and for that reason we would like to know the status of your claim again him.

Very truly yours, Kansas City Film Board of Trade.
——— ———, Secretary.

ALM/MY.

Ex. 149, P.W., 10/24/28.

[fol. 1468] December 28, 1927.

Mr. Harry Taylor, Manager, Universal Film Exchange, Kansas City, Missouri.

Dear Mr. Taylor: Will you kindly advise me whether or not John Willey, Mulberry, Kansas, has settled his Award, which you hold against him, and if so do you wish your claim withdrawn?

We have a letter from First National to-day advising us that they are withdrawing their claim. You and Paramount however still have Awards against this Exhibitor, and it will be necessary that he straighten up with both of you before he can be served.

We, therefore, will appreciate hearing from you in regard to the above.

Very truly yours, Kansas City Film Board of Trade.
——— ———, Secretary.

ALM MY.

Ex. 150, P.W., 10 24 28.

[fol. 1469] Universal Film Exchanges, Inc., 1710 Wyandotte Street, Kansas City, Mo.

December 29th, 1927.

Miss A. L. Menagh, Secretary, Kansas City Film Board of Trade, Kansas City, Mo.

Dear Miss Menagh: In response to yours of the 28th with reference to John Willey, yesterday I wrote him a letter sending him a statement for the additional days that he held out the service and as quickly as I receive a reply with his check, I will advise you of the withdrawing of our claim.

Yours very truly, Universal Film Exchanges, Inc.
(Sgd.) Harry Taylor. Harry Taylor, Manager.

HT:S

Universal's mightiest Carl Laemmle presents Uncle Tom's Cabin motion picture, a Harry Pollard Production.

Ex. 151, P.W., 10/24/28.

[fol. 1470] Paramount-Famous-Lasky Corporation, Paramount Pictures, 110 W. 18th Street, Kansas City, Mo.

December 29, 1927.

Miss A. L. Menagh, Kansas City Film Board of Trade, 1717 Wyandotte St., Kansas City, Missouri.

Dear Miss Menagh: Answering your letter of the 28th, regarding our award against John Willey, Mulberry, Kansas, this award was for play dates; therefore, this award has not been complied with.

Yours very truly, (Sgd.) J. H. States, J. H. States, Booking Manager.

JHS:BD.
Ex. 152, P.W., 10 24 28.

[fol.1471] Universal Film Exchanges, Inc., 1710 Wyandotte Street, Kansas City, Mo.

December 30th, 1927.

Address all replies to the office sending this letter and refer to ——

Miss A. L. Menagh, Secretary, K. C. Board of Trade, Kansas City, Mo.

Dear Miss Menagh: Confirming our telephone conversation, I wish to advise that this is your authority to withdraw our claim and award against John Willey of Mulberry, Kansas.

Yours very truly, Universal Film Exchanges, Inc., (Sgd) Harry Taylor, Harry Taylor, Manager.

HT:S

The World Wide Sensations—Jules Verne's Michael Strogoff—Victor Hugo's Les Miserables.

Ex. 153, P. W., 10 24 28.

[fol. 1472] December 30, 1927.

Mr. John Willey, Mulberry, Kansas.

Dear Sir: We do not know whether you have taken care of your Paramount Award or not, but in case you have not

we are calling this matter to your attention. You should immediately furnish them with dates, so that they will withdraw their claim against you and you can secure service from our Members again.

We have already received instructions from, both, First National and Universal that they have canceled their Awards against you, and for this reason we trust you will take care of Paramount.

Very truly yours, Kansas City Film Board of Trade. —— ——, Secretary.

ALM:MY

Ex. 154, P. W., 10/24/28.

[fol. 1473] Kansas City Film Board of Trade, 1717-19 Wyandotte Street, Kansas City, Missouri.

Telephone: Harrison 6902.

Office of Secretary, A. L. Menach.

December 30, 1927.

Mr. John Willey, Mulberry, Kansas.

Dear Sir: We do not know whether you have taken care of your Paramount Award or not, but in case you have not we are calling this matter to your attention. You should immediately furnish them with dates, so that they will withdraw their claim against you and you can secure service from our members again.

We have already received instructions from, both, First National and Universal that they have canceled their Awards against you, and for this reason we trust you will take care of Paramount.

Very truly yours, Kansas City Film Board of Trade, (Sgd) A. L. Menagh, Secretary.

ALM/MY.

(In ink handwriting)

Answer

Dear Sir: I wrote all the Co. and told them to have their salesman Come By for Probaly i thought they would be forced to change some pictures But as to Paramount, i did

not know i had any case and i suppose it is fare to go ahead with the same kind of a Dating arrange as you Set that time in your office you have a Card on this arrangement

Yours Truly, John Willey.

Ex. 155, P. W. 10/24/28.

[fol. 1474] January 5, 1928.

Mr. John Willey, Mulberry, Kansas.

DEAR SIR: We have your letter of recent date, and wish to advise you that the same playing arrangement as you had before will be satisfactory, but please furnish Paramount with dates, at once, in order that you can be released. All Paramount is asking, is, dates, but they insist on receiving same before I can notify the other members you have been cleared by the "Board." Immediately upon receipt of this letter, will you please write them, and give them some definite playing arrangement—I believe they were to receive at least one date every other week They will give you the last two pictures under contract, gratis, as they agreed to sometime ago, in settlement of your claim against them.

Very truly yours, Kansas City Film Board of Trade, —— ——, Secretary.

Ex. 156, P. W., 10/24/28.

[fol. 1475] (In handwriting in ink)

Jan. 6/28.

Film Board.

DEAR SIR: Do you know the claim that paramount Holds again me i have wrote them and no answer, i told them i coud set in the Dates on there Service and Angagement U made Some time ago and as to my Other Case i no nothing about please find Out what they expect me to do

Yours Truly, John Willey, Mulberry Kansas.

Ex. 157, P. W,. 10/24/28.

[fols. 1476-1491] (In ink handwriting)

January 5 28.

Film Board of Trade.

DEAR SIR: Am I cleared with the Co O K so i Can Arrange to give, Each one their Share of my Service until used up the old contracts.

Yours Truly, John Willey, Mulberry, Kansas.

Let me know at Once.

Ex. 158, P., W., 10/24/28.

[fols. 1492-1502] GOVERNMENT EXHIBIT 19

Pittsburgh Film Board of Trade Arbitration Case

[fol. 1503] Ex. 408

Universal Film Exchange, Inc., 1018 Forbes Street, Pittsburgh, Pa.

Address all replies to the office sending this letter and refer to ——.

April 30th, 1928.

Miss A. C. Littell, Film Board of Trade, Pittsburgh, Pa.

DEAR MISS LITTELL: We herewith claim that Mr. M. Steinberg, operating the Star Theatre, Canonsburg, Pa., has breached contract dated August 8th, 1927, in failing to exhibit and pay for the following subject, upon the date specified—Fast & Furious $75.00—refused April 23rd-24th (Arb. date).

That by reason thereof, we are entitled to recover from the said exhibitor, immediate payment in the amount of $75.00.

We also request regular and consistent playing time on the balance of the unplayed contract (in accordance with the terms of same), which consists of three pictures in the amount of $225.00, as follows:

Good Morning Judge	$75 00
Watch My Speed	75 00
Ask Me Another	75.00
Total	$225 00

We respectfully request that the above named exhibitor be notified of this claim, and if it is disputed or if exhibitor

fails to make answer thereto acceptable to us, we desire that it be scheduled for hearing and determination before the Board of Arbitration at an early date.

Very truly yours, Universal Film Exchanges, Inc.
(Sgd.) F. J. Guebl, Assistant Manager.

FG:MS.

You'll be glad to pay more:

The sensation of 1925—"The Phantom of the Opera."

Ex. 408.

[fol. 1504] Ex. 409

May 21st, 1928.

Messrs. A. & S. Steinberg, Star Theatre, Canonsburg, Pa.

GENTLEMEN: Because of your failure or refusal to submit to arbitration as provided in the Standard Exhibition Contract, a claim, or a controversy arising under a certain contract dated August 8th, 1927, between you and the Universal Film Exchange, the undersigned in accordance with the terms of the existing contracts between us, hereby demands that you pay to the undersigned at the above address, the sum of $1367.50, for our protection and as security for the performance by you of each such existing contracts—

Contract #471-28—1927-28 complete service	$500.00
" #7139—1927-28 Denny productions	355.00
" #7138—Cohens and Kellys in Paris	470.00
News Contract—2 issues per week	42.50

Upon your failure to pay us said sum within seven days from the date of this letter, under the Rules and Regulations Relating to Arbitration (by reference incorporated in and made a part of the Standard Exhibition Contract), we will proceed to suspend service under such contracts until you have furnished such security or submitted said claim, or controversy, to the Joint Board of Arbitration.

Yours very truly, Universal Film Exchanges, Inc.
—— ——, Assistant Manager.

FG:MS.
Ex. 409.

[fol. 1505] Ex. 419

May 28th, 1928.

Messrs. A. & S. Steinberg, Star Theatre, Canonsburg, Pa.

GENTLEMEN: Please take notice that because of your failure to us the sum of $1367.50, heretofore demanded from you as security for the performance by you of the existing contracts between us, we have suspended service under said contracts.

Very truly yours, Universal Film Exchanges, Inc.
—— ——, Assistant Manager.

FG:MS.
Ex. 419.

[fol. 1506] Ex. 427

Arbitration—Master Sheet

Amount Involved, ——. Date Rec'd, ——.

Univ., ——.
Respondent: M. Steinberg.
Town and State: Canonsburg, Pa. Theatre: Star.
Nature of Claim: ——.
Settled, Withdrawn, Before submission to Arbitration, Date: ——.
Considered by Bo. of A. Date: ——. Exhibitor represented by ——. Exchange represented by ——.
Disposition by B. of A.: (Dismissed ——. Disallowed ——. Award in favor of Exhibitor ——: Distributor ——.
Board of Arbitration Recommendation or Remarks: Refused to Arbitrate. Max. Sec. —. $—.
Complied Within allotted time: Date, ——. Theatre closed: Date, ——. Theatre sold: Date, ——.
Security Letters Mailed: No. 1, Date: 5/21; No. 2, Date: 5/28. Complied: Date, ——.
Service Suspended: Date, ——. Complied: Date, 5 31.
Claim settled by adjustment: Date, ——.

Distributor	Amount Security Requested	Letter No. 1 First	Letter No. 2 Request	Security Received	Notified O. K.	Second Request No. 1	Second Request No. 2	Sec. Rec'd	Notified O. K.
Col. Pict.	$400	5/21	5/28	Weinberg					
Col. Film	ns								
Educational	ns								
F. B. O	$370	5/21	5/28	Schmitt					
First National	$260	5/21	5/28	Mitler					
Fox	$100	5/21		Barber					
Metro	ns								
Para. Fam.	ns								
Pathe	$350	5/21	5/29	Hurtem					
Standard	$250	5/21		Miter					
Tiffany	$250	5/21		Ender					
Un. Art	ns								
Universal	1367.50	5/21	5/28	Gueler					
Warner	$500	5/21	5/28	Row					

Ex. 427.

[fol. 1507] Ex. 59

Complaint

12/28/27.

Film Board of Trade, Pittsburgh, Pa.

DEAR MADAME: We attach hereto a contract entered into with I. Rosenbloom, exhibitor, operating the Palace Theatre at —— in the City of Rankin, Pa.

We respectfully complain against said exhibitor as follows:

(Here insert a plain and concise statement of facts.)

Mr. Rosenbloom has breached contract dated January 11, 1926, in failing to pay for the following pictures, which he exhibited on the dates specified:

Why Girls Go Back Home, January 5th, 1927	12.50
Below the Line, March 13th	15.00
	$27.50

and refusing the following picture:

Silken Shackles, Shipped August 2nd	10.00

That by reason thereof, we are entitled to recover from the said Exhibitor the sum of $37.50.

We also attach hereto correspondence and $.30 in postage.

We desire you to advise the exhibitor of our claim, and if it is denied, or if the exhibitor fails to respond to your communication, or if an answer is received and it is not satisfactory to us, we desire our claim brought before the Board of Arbitration for determination.

Very truly yours, Distributor Vitagraph, Inc. (Sgd.) H. S. Dunn, Manager. H. S. Dunn.

HSD:MR.

Ex. 59

[fol. 1508] Ex. 61

City: Pittsburgh.
State: Pennsylvania.
County: Allegheny.

In the Matter of the Arbitration of VITAGRAPH, INC., Distributor, and I. ROSENBLOOM, Palace Theatre, Rankin, Pa., Exhibitor.

We, the undersigned arbitrators, having been duly appointed to arbitrate the matters in controversy existing between the above named Distributor and Exhibitor as by the provisions of the contract between said Distributor and said Exhibitor provided (or by the conditions of their submission in writing executed by said Distributor and Exhibitor respectively and sealed with their respective seals and duly acknowledged) and after having taken the oath and after hearing the proofs and allegations of the said parties and due deliberation having been made we do hereby award, determine and order; that is to say:

(Here express in clear and precise terms the award so that nothing shall be left uncertain. The award should be so final in its terms so as to terminate the controversy.)

The Arbitration Board finds that the contracts dated Jan. 11, 1926, beween I. Rosenbloom, Palace Theatre, Rankin, Pa., and Vitagraph, Inc., are valid and hereby directs the Exhibitor to pay the amount of $37.50 (Thirty-seven Dollars and Fifty Cents) to Vitagraph, Inc., within ten (10) days from the date of this award.

The above amount covers pictures played but not paid for on Jan. 5, 1927, and March 13, 1927 in the amount of $27.50 (Twenty-seven Dollars and Fifty Cents) and shipment refused on Aug. 2, 1927, in the amount of $10 (Ten Dollars).

Upon the failure of the exhibitor to fully comply with this award within ten days from the date thereof the sum of $500 is hereby fixed as the maximum amount which each distributor a member of the Pittsburgh Film Board of [fol. 1509] Trade having a contract with the exhibitor may demand pursuant to the provisions of the Arbitration Clause contained therein as security for the performance by the exhibitor of each such contract.

In witness whereof we have subscribed this award this 20th day of January, 1928.

(Sgd.) Geo. Wilson (L. S.), (Sgd.) B. M. Moran (L. S.), (Sgd.) Jas. H. Alexander (L. S.), (Sgd.) Wm. R. Wheat, Jr. (L. S.), (Sgd.) N. Friedberg (L. S.), (Sgd.) Archie Fineman (L. S.).

STATE OF PENNSYLVANIA,
County of Allegheny:

On this 20th day of January, 1928, before me, a Notary Public in and for said County and State, personally appeared Messrs. Geo. Wilson, B. M. Moran, Jas. H. Alexander, Wm. R. Wheat, Jr., N. Friedberg, Archie Fineman, known to me to be the individuals described in and who executed the foregoing instrument, and they duly acknowledged to me that they executed the same.

(Sgd.) Fred J. Herrington, Notary Public. My Commission expires —— —, ——. (Notarial Seal.) Fred J. Herrington, Notary Public. My commission expires March 7th, 1931.

(Union Label 435.)

Ex. 61.

[fol. 1510] Ex. 62

March 6, 1928.

Members: Pittsburgh Film Board of Trade, Cincinnati Film Board of Trade, Washington Film Board of Trade.

(For your confidential information)

GENTLEMEN: The Joint Board of Arbitration advises us that the following exhibitor has failed to comply with an arbitration award rendered in favor of the distributor.

Under the terms of your contracts relating to arbitration, you are entitled to demand security in an amount not exceeding $500, under each such existing contract with the exhibitor, the amount of security to be demanded by each distributor to be based upon the actual value of any print to be delivered under your contract plus the rental value of such print.

First letter to be dated March 7, 1928.

Town and State	Theatre	Exhibitor	Award in favor of	Serving	Not serving
Rankin, Pa.	Palace	I. Rosenbloom	Vita		

Second Letter to be dated March 14, 1928.

Note Exchanges: The above notice is being sent to you in duplicate. Please sign and return one copy properly

checked not later than Thursday, March 8th. If you have contracts please forward copies of first and second notices to this office.

Pittsburgh Film Board of Trade. (Sign.) F. B. O. Pictures Corp., Exchange.

P. S.—Note, Important: The above exhibitor, I. Rosenbloom, also operates the Family Theatre, Braddock, Pa. You will therefore please forward first and second notices on any existing contracts you may have at this theatre.

Ex. 62.

[fol. 1511] Ex. 75

March 7th, 1928.

Mr. I. Rosenbloom, Palace Theatre, Rankin, Pa.

DEAR MR. ROSENBLOOM: Because of your failure or refusal to abide by and comply with the decision or award of the Board of Arbitration in the controversy between you and the Vitagraph Exchange, submitted for arbitration as provided in the Standard Exhibition Contract, the undersigned in accordance with the terms of the existing contracts between us, hereby demands that you pay to the undersigned at the above address, the sum of Ten Hundred and Seventy Dollars ($1070.00), for our protection and as security for the performance by you of each of the following contracts:

Contract #7766:

1927-28 Features.
" Comedies.
" Serials.
" Mustangs.
" Collegians.

Contract #7768:

Dennys.

Contract #7763:

Cohens and Kellys in Paris.

Upon your failure to pay us said sum within seven days from the date of this letter, under the Rules and Regulations Relating to Arbitration (By reference incorporated in and made a part of the Standard Exhibition Contract),

we will proceed to suspend service under such contracts, until you have furnished such security or complied with such decision of said Arbitration Board.

Very truly yours, Universal Film Exchanges, Inc.
—— ——, Assistant Manager.

FG:MS

Ex. 75.

[fol. 1512] Ex. 76

March 7th, 1928.

Registered.

Mr. I. Rosenbloom, Palace Theatre, Rankin, Penn'a.

Dear Mr. Rosenbloom: Because of your failure or refusal to abide by and comply with the decision or award of the Pittsburgh Film Board of Trade in the controversy between you and Vitagraph submitted for arbitration as provided in the Standard Exhibition Contract, the undersigned in accordance with the terms of the existing contracts between us hereby demands that you pay to the undersigned at the above addresss the sum of $1500. for our protection and as security for the performance by you of such existing contracts.

Upon your failure to pay us said sum within seven (7) days from the date of this letter under the rules and Regulations Relating to Arbitration (by reference incorporated in and made a part of the Standard Exhibition Contract) we will proceed to suspend service under such contracts until you have furnished such security or complied with such decision of said Arbitration Board.

Yours very truly, Metro-Goldwyn-Mayer Dist. Corp.
J. J. Maloney, Resident Manager.

JJM:L.

Sent to Family, Braddock, Pa.

Ex. 76.

[fol. 1513] Ex. 77

Mar. 7, 1928.

Palace Theatre, Rankin, Pa.

Dear Sir: Because of your failure or refusal to abide by and comply with the decision or award of the Pittsburgh

Board of Arbitration in the controversy between you and Vitagraph Exchange, submitted for arbitration as provided in the Standard Exhibition Contract, the undersigned in accordance with the terms of the existing contracts between us hereby demands that you pay to the undersigned at the above address the sum of five-hundred dollars ($500.00) for our protection and as security for the performance by you of each such existing contracts, as follows:

12/12/27 #1419 Features
12/12/27 #1418 Features

Upon your failure to pay us said sum within seven days from the date of this letter under the Rules and Regulations Relating to Arbitration (by reference incorporated in and made a part of the Standard Exhibition Contract) we will proceed to suspend service under each such contract until you have furnished such security or complied with such decision of said Arbitration Board.

Very truly yours, Pathe Exchange, Inc. (Initialed) E. H., Branch, Cashier.

E. Hurteau-AMM.

Ex. 77.

[fol. 1514] Ex. 97

Arbitration-Master Sheet

No. ——. Amount Involved: $——. Date Rec'd: ——.
Complainant: Vit. Respondent: I. Rosenbloom, Town & State: Braddock; Theatre, Family.
Nature of Claim: ——.
Settled, Withdrawn, Before submission to Arbitration, Date: ——.
Considered by Bo. of A.: Date: ——. Exhibitor represented by ——. Exchange represented by ——.
Disposition by B. of A., dismissed ——; disallowed ——; award in favor of Exhibitor ——; Distributor ——.
Board of Arbitration Recommendation or Remarks: On acct. of award at Rankin. Max. Sec. —. $—.
Complied Within alloted time: Date: ——. Theatre closed: Date: ——. Theatre sold: Date: ——.
Security Letters Mailed: No. 1, Date: 3/7. No. 2, Date: 3/14; Complied: Date: ——.
Service Suspended: Date: ——; Complied: Date: 3/14; Claim settled by adjustment: Date: ——.

Distributor	Amount Security Requested	Letter No. 1 First	Letter No. 2 Request	Security Received	Notified O. K.	Second Request No. 1	Second Request No. 2	Sec. Rec'd	Notified O. K.
Col. Pict.	$400	3/7	M. Noyes						
Col. Film	$200	3/7	M. Lille						
Educational	ns								
F. B. O.	ns								
First Nat'l	ns								
Fox	$500	3/9	Ryan						
Metro	$1500	3/7	Shelton						
Para. Fam.	$250	3/7	ELL.						
Pathe	ns								
Standard	$250	3/7	Reis						
Tiffany	ns								
Un. Art.	$100	3/7	Cohn						
Universal	$500	3/7	Guehl						
Warner	$250	3/7	Claim						

Ex. 97.

[fol. 1515] Ex. 98

Arbitration—Master Sheet

No.: ——. Amount involved: ——. Date Rec'd: ——.
Complainant: Vitagraph. Respondent: I. Rosenbloom, Town & State: Rankin, Pa. Theatre: Palace.
Nature of Claim: ——
Settled, Withdrawn, Before submission to Aribtration, Date: ——.
Exhibitor represented by ——.
Considered by Bo. of A.: 1/20/28. Exhibitor represented by ——. Exchange represented by ——.
Disposition by B. of A.: (Dismissed ——; Disallowed ——; Award in Favor of) Exhibitor ——; Distributor ——.
Board of Arbitration Recommendation or Remakrs: ——. Max. Sec. —. $—.
Complied Within allotted time: Date: 3/7. Theatre closed: Date: ——. Theatre sold: Date: ——.
Security Letters Mailed: No. 1, Date: ——; No. 2, Date: 3/14; Complied: Date: ——.
Service Suspended: Date: ——; Complied: Date: 3/14; Claim settled by adjustment: Date: ——.

Ex. 98

Distributor	Amount Security Requested	Letter No. 1 First	Letter No. 2 Request	Security Received	Notified O. K.	Second Request No. 1	Second Request No. 2	Sec. Rec'd	Notified O. K.
Col. Pict.	ns		Mr. Thorp						
Col. Film	$200	3/7	Wheeler						
Educational	ns	(7)							
F B O	$335	3/8	Weschler						
First Nat'l	$275	3/7	Booker						
Fox	$500	3/7	Ryan						
Metro	$500	3. 7	Shelton						
Para. Fam.	$250	3/7	Ell						
Pathe	$500	3/7	Hurteau						
Standard	$250	3/7	Neis						
Tiffany	ns								
Un. Art.	$250	3/7	Cohen						
Universal	$1070	3/7	Guth						
Warner	$250	3/7	(Signature illegible)						

[fol. 1516] Ex. 700

Columbia Pictures

Columbia Pictures Corporation

Home Office: 1600 Broadway, New York. Studios: Hollywood, California

Pittsburgh Branch: 1014 Forbes Street, Pittsburgh, Pa.

August 16, 1928.

Miss A. C. Littell, Film Board of Trade, 311 Plaza Building, Pittsburgh, Pa.

Dear Madam: We herewith claim that Mr. C. Blatt operating the Grand Theatre located at Patton, Pa. has breached a contract dated July 15th, 1926, in failing to exhibit and pay for the following picture on the date specified: Aug. 13th: Better Way, $10.00.

That by reason thereof, we are entitled to recover from the said exhibitor the sum of $10.00.

We also ask for regular and consistent playing time on the unplayed portion of our contract, upon the remaining 12 unplayed pictures in the amount of $132.50.

Therefore, kindly enter our claim for 13 pictures in the amount of $142.50.

Yours very truly, Columbia Pictures Corporation.
(Sgd.) Wm. G. Smith, Wm. G. Smith, Manager.

WGS/OL.

The best box-office value in the industry.

Ex. 700.

[fol. 1517] Ex. 701

Grand Theatre, Motion Pictures, Patton, Pa.

John A. Blatt, Mgr.

Aug. 21, 1928.

Miss A. C. Littell, Film Board of Trade, 311 Plaza Building, Pittsburgh, Pa.

Dear Madam: In reply to your letter of Aug. 20th regarding the complaint filed against me by Columbia Pictures Corp., please be advised.

I do not dispute this contract with Columbia Pictures Corp. but I am utterly unable to use a picture each week as had been assigned by Columbia Pictures Corp. in their letter of July 16th. I did, however, by my letter of July 17th, show my desire to co-operate by offering the consistent playing time of two dates each month until the contract is completed. This, I feel, should be satisfactory to the exchange and it is the best offer I can possibly make.

Trusting you will be able to convince Columbia Pictures Corp. that I am not refusing to honor their contract and that I am not refusing to submit regular playing time, I remain

Very truly yours, (Sgd.) Wm. J. Blatt, Grand Theatre.

Ex. 701.

[fol. 1518] Ex. 702

August 24, 1928.

Mr. Wm. J. Blatt, Grand Theatre, Patton, Penna.

Dear Mr. Blatt: This is in reply to your letter of August 21, 1928 concerning the claim of Columbia against you.

I have taken this matter up with Columbia and they advise that inasmuch as your contract provides that it shall be played before September 1, 1927 and there still remain 13 unplayed pictures that they cannot accept your suggeted playing arrangement for two pictures per month until the contract is completed.

They state that they will, however, accept a playing arrangement of two pictures per month, if you will pay for two additional pictures per month, which pictures you may use at later dates agreeable to you.

May I please receive your reaction to this suggestion.

Sincerely yours, —— ——, Secretary.

Ex. 702.

[fol. 1519] Ex. 703

City of Pittsburg,
State of Pennsylvania,
County of Alleghany.

In the Matter of the Arbitration of Columbia Pictures Corporation, Distributor, and C. Blatt, Grand Patton, Penna., Exhibitor

We, the undersigned arbitrators, having been duly appointed to arbitrate the matters in controversy existing between the above named Distributor and Exhibitor as by the provisions of the contract between said Distributor and said Exhibitor provided (or by the conditions of their submission in writing executed by said Distributor and Exhibitor respectively and sealed with their respective seals and duly acknowledged) and after having taken the oath and after hearing the proofs and allegations of the said parties and due deliberation having been made we do hereby award, determine and order; that is to say:

(Here express in clear and precise terms the award so that nothing shall be left uncertain. The award should be final in its terms so as to terminate the controversy.)

The Board hereby directs the exhibitor to pay the distributor the sum of $10.00 within fourteen days from the date of this award. This amount covers the rental of the picture Better Way refused by the exhibitor on August 13, which picture the exhibitor is to have the privilege of playing on a later date agreeable to both the distributor and the exhibitor.

The Board further directs the exhibitor to play or pay for the remaining unplayed pictures listed on his contract of July 15 1926 at the rate of two per month, such arrangement to start not later than fourteen days from the date of this award.

Upon the failure of the exhibitor to fully comply with this award within fourteen days the sum of $500 is hereby fixed as the maximum amount which each distributor, or member of the Pittsburgh Film Board of Trade, having a contract with the exhibitor may demand pursuant to the provisions of the Arbitration Clause contained therein, as security for the performand by the exhibitor of each such contract.

In witness whereof we have subscribed this award this 1st day of October 1928.

(Sgd.) B. M. Stearn (L. S.), (Sgd. J. J. Maloney (L.S.), (Sgd.) A. M. Gallo (L.S.), (Sgr.) H. H. Goldstein (L. S.), (Sgd.) T. H. Rankin (L. S.), (Sgd.) A. M. Rosenbloom (L. S.)

[fol. 1520] STATE OF PENNSYLVANIA,
County of Alleghany:

On this 1st day of October, 1928, before me, a Notary Publis in and for said County and State, personally appeared B. M. Stearn, H. H. Goldstein, J. J. Maloney, T. H. Rankin, A. M. Gallo, A. M. Rosenbloom, known to me to be the individuals described in and who executed the foregoing instrument, and they duly acknowledged to me that they executed the same.

(Sgd.) Audrey C. Littell, Notary Public. My Commission expires — ——, ——. Audrey C. Littell, Notary Public. My commission expires at end of next session of Senate. (Notarial Seal.)

Ex. 703.

[fols. 1521 & 1522] Ex. 703 A

Form 160

Availability Notice!

Columbia Pictures Corporation

Do It Now! Columbia Pictures, A National Institution. Do It Now!

Theatre: Grand; Address, Patton, Pa.; Pgh. Exchange.

Date: 9/15/27.

Pursuant to our contract with you, you are hereby notified that the productions specified below will be available for exhibition in your theatre beginning with the date set before the name of each production and continuing for a period of (1) four weeks thereafter, including the Date of Availability. Indicate in the column headed "Date Selected by Exhibitor" the dates on which you desire to play the productions specified below. Please return our (white) copy to us not later than Sept. 30, 1927.

Date of Availability			Name of Production	Price	No. of Reels	Dates Selected by Exhibitor will be entered here.	
Month	Day	Year				1st Choice	2nd
Sept.	19	1927	The Better Way	10	6		
"	"	"	Stolen Pleasure	10	6		
"	"	"	Wandering Girls	10	6		
"	"	"	The Wreck	10	6		
"	"	"	Bachelor's Baby	10	6		
"	"	"	Price of Honor	10	6		
"	"	"	Birds of Prey	12.50	6		
"	"	"	Pleasures Before Business	12.50	6		
"	"	"	Poor Girls	12.50	6		
"	"	"	Rich Men's Sons	10	6		

Exhibitor

Mr. Beatt—

You have not used our service since May. What may we expect?

Ex. 703 A.

[fols. 1523 & 1524] GOVERNMENT EXHIBIT 20

New Orleans Film Board of Trade Arbitration Case

[fol. 1525] Exhibit #471

Form No. 4

City: New Orleans.
State: Louisiana.
County: Orleans Parish.

In the Matter of the Arbitration of LIBERTY-SPECIALTY, Distributor, and H. A. DAVITTS, Dixie Theatre, Winona, Miss., Exhibitor.

We, the undersigned arbitrators, having been duly appointed to arbitrate the matters in controversy existing between the above named Distributor and Exhibitor as by the provisions of the contract between said Distributor and said Exhibitor provided (or by the conditions of their submission in writing executed by said Distributor and Exhibitor respectively and sealed with their respective seals and duly acknowledged) and after having taken the oath and after hearing the proofs and allegations of the said parties and due deliberation having been made we do hereby award, determine and order; that is to say:

(Here express in clear and precise terms the award so that nothing shall be left uncertain. The award should be final in its terms so as to terminate the controversy.)

That the exhibitor be required to pay to the distributor the sum of $312.26 covering all unplayed pictures under contract; this award to be complied with within seven days from this date, pictures to be furnished the exhibitor later on mutually satisfactory dates, "gratis."

Upon the failure of the exhibitor to fully comply with this award within seven days from the date thereof, the

sum of $300.00 is hereby fixed as the maximum amount which each distributor, a member of the N. O. Film Board or affiliated Boards, having a contract with the exhibitor may demand pursuant to the provisions of the Arbitration Clause contained therein as security for the performance by the exhibitor of each such contract.

In witness whereof we have subscribed this award this 5th day of Nov., 1926.

Philip Schiro (L.S.), Victor Meyer (L.S.), N. P. Eberley (L.S.), L. V. Seieshnaydre (L.S.), —— ——, (L.S.), —— ——, (L.S.).

[fol. 1526] STATE OF LOUISIANA,
Parish of Orleans:

On this 5th day of Nov., 1926, before me, a Notary Public in and for said County and State, personally appeared above named parties, known to me to be the individuals described in and who executed the foregoing instrument, and they duly acknowledged to me that they executed the same.

—— ——, Notary Public. My commission expires —— ——, ——.

[fol. 1527] Exhibit #472

New Orleans Film Board of Trade, New Orleans, La.

February 23, 1927.

Mrs. Lola Adams Gentry, Secretary Memphis-Little Rock Film Board of Trade, Memphis, Tenn.

DEAR MRS. GENTRY: For your information and guidance, H. A. Davitts, Dixie Theatre, Winona, Miss., has again failed to comply with award of our Joint Arbitration Board dated November 5, 1926 in favor of Liberty Film Dist. Corporation.

You will find this account listed on our Bulletin No. 126 under uncomplied awards.

Kindest regards.

Very truly yours, New Orleans Film Board of Trade.
(Signed) J. B. Heine, Secretary.

[fol. 1528] Exhibit #473

Memphis-Little Rock Film Board of Trade Bulletin

March 4, 1927.

Meetings:

Film Board of Trade: Monday, March 7, 1927, 8:00 P. M. (Office Home State Film Co., 108 So. Cross St., Little Rock.)

Executive Committee: Monday, March 7, after Film Board Meeting.

Credit Committee: Monday March 7, after Film Board Meeting.

Arbitration Board Meeting: Monday, March 21, 1:45 P. M. (Memphis).

Awards complied with: 3/1/27, D. C. Frew, Lake City, Ark.

Awards uncomplied with:

Max Davitts, Dixie Theatre, Winona, Miss. N. O.

S. E. Williams, Imboden Theatre, Imboden, Ark. (PDC) St. L.

V. J. Haydel, Palace Theatre, W. Helena, Ark. Home State.

D. Renfro, Renfro Theatre, Iverness, Miss. MGM.

Wm. B. & G. R. Landers, Liberty Theatre, Melbourne, Ark. Lib. Spec.

Herman Alwes, Commodore Theatre, Eureka Spgs., Ark. F. P. L.

Please send in immediately, deposit letters on the above.

D. F. Portis, Majestic Theatre, Lepanto, Ark. F. P. L.

Paul Bearce, Ozark Theatre, Mt. Ida, Ark. Home State.

(Service on the above two accounts is suspended because of previous uncomplied with awards therefore it is not necessary to send additional letters).

W. E. Collins, W. L. Mack, Jonesboro Amust. Co., Jonesboro, Ark. (Old owners) St. L.

J. W. Hall, Princess Theatre, Salem, Ark. (Closed house). M. G. M.

R. A. Unger, Dixie Theatre, Hughes, Ark. (Closed house.) M. G. M.

Theatre notes:

Newport, Ark.—Newport Theatre new theatre opened by C. A. Bauerman.

Gould, Ark.—Star Theatre new theatre opened by H. D. Hollenbeck.

[fol. 1529] Previously reported closed:

Little Rock, Ark., Joy Theatre, positively open.

Tuckerman, Ark. Star Theatre. (One member reports he is serving this theatre with a Serial & News Weekly; they are open.)

Additional schools eligible for service: Booker T. Washington High School.

Important—When an exhibitor complies with an award given any member, it is very essential that the member immediately telephone this office the information and confirm same in writing that same day in order that proper clearance may be issued from this office.

Memphis-Little Rock Film Board of Trade. Lola Adams Gentry, Secretary.

[fol. 1530] Exhibit 490

Fox Film Corporation

Head Office: West 55th Street, New York

1127 Girod Street,
New Orleans, La., April 4, 1927.

Mrs. J. B. Heine, Secretary N. O. Film Board of Trade, 422 Carondelet Bldg., City.

Dear Mrs. Heine: Attached correspondence speaks for itself. Please read it at next meeting so as all members will become acquainted with situation, then return same here for final record.

Very truly yours, Fox Film Corporation. (Signed) Dudenhefer, Branch Manager.

BLD: NCP.
Att:

[fol. 1531] Exhibit #491

Fox Film Corporation, West 55th Street, New York City

File—BS

March 30, 1927.

Mr. B. F. Dudenhefer, Fox Film Corporation, New Orleans, La.

DEAR MR. DUDENHEFER: Attached is copy of a letter I have received from Mr. Gabriel Hess, and I am writing Mr. McKean today, asking him for a report on the situation.

This is for your information.

Very truly yours, (Signed) J. Sichelman.

JS: EW.

[fol. 1532] Exhibit #492

Film Boards of Trade, 469 Fifth Ave., New York

March 26, 1927.

Mr. James R. Grainger, Fox Film Corporation, West 55th Street, New York.

DEAR MR. GRAINGER: It has been the policy of home offices of distributors represented in the membership of Film Boards of Trade not to favor an exhibitor who, failing to comply with an award of the Board of Arbitration in favor of a distributor, deposits the amount of security demanded by other distributors for the performance of his contracts by agreeing to any changes in the terms of such contracts, particularly the terms thereof in relation to play dates or playing time.

It appears that the New Orleans Board of Arbitration made an award against an exhibitor in Winona, Miss; that Famous Players held a contract dated June 16, 1926 calling for a picture to be used every Monday and Tuesday, and a picture to be used every Wednesday and Thursday starting March 1, 1927; that the exhibitor, in compliance with demands for security deposited the amount demanded with Universal in Memphis, First National, Memphis, and your office in Memphis; that your contract had no specified playing time—it merely stated that the pictures were to be used

at the rate of one each week; that upon the deposit of the security with your branch manager in Memphis he thereupon agreed to deliver to the exhibitor under his contract a picture on every Monday and Tuesday, so as to take up the dates that Famous Players had, with which company the exhibitor did not deposit security.

It seems to me that your branch manager did not adhere to the policy outlined above, and the situation should be called to his attention.

Sincerely yours, Gabriel L. Hess, General Attorney.

[fol. 1533] Exhibit #493

Excerpts From Minutes of Film Board of Trade Meeting at New Orleans under Date of April 11th, 1927 re Action of Memphis Board Members in Advancing Play Dates to Exhibitor Operating Dixie Theatre at Winona, Miss.

"Mr. Dudenhefer, Mgr. Fox, referred a communication to the Board that was received by his Home Office from Mr. Hess, which covered the uncomplied award against the Dixie Theatre, Winona, Miss., and from which account several exchanges in Memphis had secured security, however were serving on more days than called for in their contracts. After due discussion, this matter was ordered referred to the Memphis-Little Rock Film Board of Trade for an explanation."

[fol. 1534] Exhibit #494

New Orleans Film Board of Trade, New Orleans, La.

April 12, 1927.

Mr. C. McKean, President Memphis-Little Rock Film Board of Trade, 103 South Second Street, Memphis, Tenn.

Dear Mr. McKean: Enclosed is copy of letter written by Mr. Hess to Mr. Grainger, that was referred to Mr. Dudenhefer, local Manager of Fox and in turn referred to this Board.

Mr. Hess questions the right of the members of your Board who accepted deposits from the exhibitor mentioned,

to furnish this account with pictures not in accordance with the contract. As some members of our Board are vitally interested, will thank you to bring this matter to the attention of the proper parties and give us an expression by return mail.

Kindly inform us the names of members who secured deposits for Winona, the amount of deposits accepted, also what playing arrangements were originally stipulated in the contracts prior to cash deposit being demanded.

With best wishes.

Very truly yours, New Orleans Film Board of Trade.
(Signed) W. M. Richardson, President, by H.

WMR: JBH.

[fol. 1535] Exhibit #495

Memphis-Little Rock Film Board of Trade, Memphis, Tenn.

April 21, 1927.

Mr. W. M. Richardson, President New Orleans Film Board of Trade, 422 New Orleans Bank Bldg., New Orleans, La.

Dear Mr. Richardson: Replying to your letter of April 12th, which I received upon my return to Memphis Tuesday, regarding the situation at Winona, Miss., and wish to advise the following:

The local Fox office is serving the Dixie Theatre at Winona with three pictures every two weeks as per specifications in their contract. First National is serving three pictures every two weeks and Universal one program per week; to be more explicit, Fox is serving every Monday and Tuesday and every other Saturday—First National is serving every Thursday and Friday and every second Satusday—Universal is serving every Wednesday.

The three above mentioned exchanges have received additional security deposits in the amount of $250.00 each and are serving the account only on the number of days per week as specified in the various contracts.

I might add that there had been some dissension among the members of our Board because of the fact that certain Product, among such as Paramount, was booked on certain days of the week; Paramount feels that no member

should book a picture on a day of the week that was originally held by some other company. Regardless of this, it seems that each of the three companies mentioned above are within their rights in taking care of Winona's bookings; however, you may rest assured that every effort will be made by these three companies, as far as they are concerned, to bring the Winona exhibitor back into line. By this I mean that no favors are going to be shown to the exhibitor.

Trusting that this explanation is satisfactory, and with kindest regards, I am,

Yours very truly, C. W. McKean, President.

MC'KW.

[fol. 1536] Exhibit #496

Fox Film Corporation, West 55th Street, New York City

File-BS

March 30, 1927.

Mr. C. W. McKean, Fox Film Corporation, Memphis, Tenn.

DEAR MR. MCKEAN: Attached is copy of a letter we received from Mr. Gabriel Hess, General Attorney of the Film Board of Trade.

Will you please let me have a reply?

Very truly yours, (Signed) J. Sichelman.

JS:EW.

[fol. 1537] Exhibit #498

April 2nd, 1927.

Mr. J. Sichelman, Fox Film Corporation, New York City, N. Y.

DEAR MR. SICHELMAN: I have never violated any of the rulings or agreements of the Film Board of Trade and hardly think that the booking of our product to the Dixie Theatre, Winona, Mississippi can be considered a violation.

This account has contracts with us carrying a playing arrangement of not less than six pictures per month. We have had regular days with the account, but a specific day was not mentioned on contracts, inasmuch as the exhibitor,

when sold, was spot booking most of his product, selecting certain types of pictures for certain days, etc.

When the award was granted by the Joint Arbitration Board, our letter requesting an additional security deposit was forwarded with letters from the balance of the distributors.

Sometime later the exhibitor called at my office and stated that he wanted to our pictures as per contracts and gave me his check in the amount of $250.00, which represented the additional deposit requested.

As above stated, our contracts do not carry a weekly playing arrangement and there was nothing for me to do but serve the exhibitor with pictures as per his request, provided I did not serve him with more pictures per month than specifications in his contract called for.

I might add that had I so desired it would have been a very easy thing for me to have booked the exhibitor three pictures per week, for that is the request he made of me when he came into my office. I did not think this fair, however, and refused to book more pictures per month than our contracts called for.

Taking everything into consideration then I don't believe I violated any rule, in fact, had the exhibitor pressed me, I could have been forced to serve him as many pictures per week as he needed.

Very truly yours, C. W. McKean, Branch Manager.

[fols. 1538-1556] Exhibit #501

Famous Players-Lasky Corporation, 265 So. Front St., Memphis, Tenn.

April 13, 1927.

All Members Memphis-Little Rock Film Board of Trade, Memphis, Tenn.

GENTLEMEN: Before the next Joint Board of Arbitration meeting, there will appear a claim of Famous Players Lasky Corporation against the Dixie Theatre, Winona, Miss., for non-fulfillment of contract.

This exhibitor has put up the required deposit with several of the companies, and is now operating, and the other companies, with which he has put up no deposits, are holding the bag.

It is not the object of the Joint Board of Arbitration or the Film Board of Trade as a whole, to allow a theatre to operate under a deposit,—the object is to have the exhibitor fulfill his obligations with each organization that he is dealing with.

Therefore, the only way to bring this matter to a head is by passing this award, and asking for an additional deposit until such a time as this exhibitor cannot put up any more deposits.

We are at least entitled to $250.00 more in this instance as every distributor is entitled to a $500.00 deposit.

Trusting this will be given the proper attention. I am,

Yours very truly, (Signed) C. E. Hilgers, Branch Manager.

CEH:KF.

[fol. 1557] GOVERNMENT EXHIBIT 22

St. Louis Film Board of Trade Arbitration Case

[fol. 1558] St. Louis Film Board of Trade, 3312 Olive Street, St. Louis, Missouri

Confidential Bulletin

November 12, 1926.

Members St. Louis Film Board of Trade

GENTLEMEN: For your confidential information.

Credit Committee:

1. One new member will be appointed to serve on the Credit Committee each month. Members will be appointed in alphabetical order, according to the name of the Company represented.

2. Contracts are not to be transferred to new owners until after Credit Committee makes its report.

3. It has been decided by Mr. Gabriel L. Hess that the Credit Committee has discretionary powers. This means security may be placed against a new owner for three reasons—

1. For Credit Information Refused.

2. When it is decided by the Committee that a Sale has been made to avoid contracts.

3. When in the opinion of the Committee the new owner is not worthy of credit.

4. New contracts are not to be taken from a new owner until after the Credit Committee makes its report. Managers or salesmen are not to use their own judgment as to whether or not a sale is legitimate and take contracts to be held in the office until the Credit Committee makes its report.

5. Security must be demanded on contracts which are transferred, if Credit Committee reports a security placed against a new owner.

6. Letters demanding security must be brought to the office of the Secretary, who will mail all letters at the same time.

[fol. 1559] Joint Arbitration Board:

1. One new member will be appointed to serve on the Joint Arbitration Board each month. Members will be appointed in alphabetical order, according to the name of the Company represented. No member will serve on both the Credit Committee and Arbitration Board at the same time.

2. An exhibitor is not to be visited, solicited or sold a contract after the First Notice that he has failed to comply with an Arbitration Board award has been sent out.

3. Letters demanding security must be sent or brought to the office of the Secretary, who will mail all letters at the same time.

4. All settlements of Arbitration Board awards must be made through the Secretary's office.

5. Salesmen or managers are not to solicit checks for additional security and promise exhibitor additional days of service over the number of days called for on contract. Checks for additional security must be certified and made

payable to St. Louis Film Board of Trade and deposited in a Special Fund.

Important.—Designate someone in your office to handle all Film Board of Trade, Arbitration Board and Credit Committee matters while you are out of the office. This is absolutely necessary in order that notices and information may not be held up waiting your return.

Exh. 9, P.W.

[fol. 1560] October 19, 1927.

Mr. C. C. Pettijohn, General Counsel, Film Boards of Trade, 469 Fifth Avenue, New York, N. Y.

Dear Mr. Pettijohn: We have just reported to you that the Board of Directors have recommended the suspension of several members for sending flowers to the opening of a new theatre.

The Board of Directors have just now finished checking up on members who demanded security from the Skouras Bros. Enterprises because of their failure to comply with an award of the Joint Arbitration Board in favor of Educational Film Exchange, which award called for the payment of $6,661.99, and found as follows:

F. B. O. Pictures Corp.:

Mailed demand for additional security on October 3rd and took a new contract, without security, on October 4th. Comedy on this contract was furnished to the Missouri Theatre on play dates on which Progress Pictures Corp. had comedy booked, but which comedy was taken from the theatre when security was not given.

Statement to the Board by Mr. Thos. McKean, Branch Manager: "This contract was taken by the office manager while I was out of town. After our attention was called to the fact, I went to the Skouras office and got the $250.00 security."

First National Pictures, Inc.:

Mailed demand for additional security on October 1st. Secured check for security amounting to $500.00 on October 8th, although check was not dated. This check was held

by the cashier and was not deposited. Cashier stated she had been instructed by the Asst. Manager to hold the check. When asked if she knew why the Asst. Manager issued such instructions, she stated she understood Skouras Bros. had asked that the check be held and not deposited.

[fol. 1561] (Reverse side)

The Branch Manager, Mr. Harry Weiss, stated that he would not make a statement to the Board of Directors but would insist upon the 14 days written notice of the charges, as provided in the By-Laws. Mr. Weiss did say, however, that he had had to wire to the New York office for instructions as to what to do with the check for additional security.

Fox Film Corporation:

Mailed demand for additional security on October 1st. Secured check amounting to $200.00 on October 8th. This check was held by the cashier, who stated she was holding same in accordance with instructions.

Statement to the Board by Mr. C. W. McKean, Branch Manager: "My cashier called me up in Keokuk, Iowa, Monday and told me she had the check. She told me Skouras had asked that the check be held. I told the cashier I would be back on Thursday morning and see what it was all about. When I got in Thursday morning I told the cashier to deposit the check."

Paramount Famous Lasky Corp.

Mailed demand for additional security on October 1st. Secured check for $500.00 on October 8th and other checks for $255.00 and $150.00. On October 11th these checks had not been deposited. Office Manager stated they were locked in the Manager's desk and had not been turned over to him.

Statement to the Board by Mr. Schweitzer, Branch Manager: "I went out of town and neglected to turn the checks over to the cashier."

Universal Film Exchanges, Inc.

Mailed demand for additional security on October 1st. Secured check for $90.00 which was not deposited until October 13th. Statement to the Board is attached.

Inasmuch as Skouras Bros. Enterprises asked some of [fol. 1562] the members to withhold depositing checks given for additional security, the Board of Directors are of the impression that when these checks were deposited the money was applied as part payment on pictures and may not have gone through to the Home Offices as additional security a c Arbitration Board award. The Skouras Bros. owe many companies a great deal of money. The New York offices are the only places where it can be ascertained whether or not the checks went through as additional security or as part payment for film service, and the Board of Directors ask that the Home Office investigate this matter. Investigation could not be made here as one of the Managers stated his Home Office would object to an investigation of the books by the Film Board of Trade.

While investigation of the above companies is being made, it might be well to include all companies that received checks—namely, Warner Bros., Metro-Goldwyn-Mayer Dist. Corp. and Pathe Exchange, Inc.,—who, however, made prompt deposit of their security checks.

The trouble started, of course, when Skouras Bros. asked the members to hold up depositing the checks, explaining that they would be in New York the following Monday and would get the matter all straightened up with Educational in New York and there would then be no need for depositing the checks. And then when the settlement did not evolve as planned, the members were still holding the checks.

The Board of Directors are handling all of the violations as they are reported in a dignified way, endeavoring to stop them in some way. They give the managers an opportunity to defend themselves, and do not take snap judgment on the cases as they come up, but it looks as though some drastic measures are going to have to be taken, as two Independent members have already resigned, stating that it is costing them money to live up to the rules and regulations while the National members persist in things like the above.

The Board of Directors are therefore putting this matter up to you, and if you find that security checks have not only been held up, but have also been applied to film service, ask that you instruct them as to what to do.

Yours very truly, St. Louis Film Board of Trade.
—— ——, Secretary.

[fols. 1563-1566] Film Boards of Trade

469 Fifth Avenue, New York

Charles C. Pettijohn, General Counsel. Gabriel L. Hess, General Attorney

October 20, 1927.

Miss L. B. Schofield, Secy., St. Louis Film Board of Trade, St. Louis, Mo.

DEAR MISS SCHOFIELD: This is to acknowledge the receipt of your letter of October 12, 1927 and the copy of the minutes of the special meeting of your Board of Directors held on September 26, 1927 to consider the charges of violations of the Rules and Regulations of your Board against certain of your members.

A new policy or plan has been submitted by this office to the General Sales Managers of all the distributors represented in the membership of the Film Boards of Trade, with a view of stamping out the practice of certain members violating the rules. The details of such policy or plan will be given to you as well as all other Film Board of Trade Secretaries as soon as approved.

In the interim, I recommend that the action of your Board suspending the members named in the minutes of the meeting above mentioned be rescinded in so far as such members were suspended from membership, but that the fines imposed stand. Following this recommendation the action of your Board is approved.

Yours very truly, (Sgd) Gabriel L. Hess, Gabriel L. Hess, General Attorney.

HD.

9-4, PW.

[fol. 1567] Record of Proceedings

30 Bks. 5-26—Adams Printers, St. L. July 25, 1927. 100 leaves

Mr. M. Gottlieb (Universal Film Exchanges, Inc.), Chairman, reported for the Bicycling Committee.

Upon action of the meeting as a whole, the following action was unanimously passed:

That no settlement shall be made individually by any members of the St. Louis Film Board of Trade with any exhibitor discovered "bicycling" or sub-renting pictures, but that in each instance claim shall be filed with the Joint Arbitration Board, through the "Bicycling" Committee.

Upon action of the meeting as a whole, the following resolution was unanimously adopted:

Resolved, That the following be and hereby is made a part of the Rules of Procedure of this Board:

That under no circumstances will any contract which specifies more than one theatre, or which provides for a gratis or repeat booking be approved, and that therefore applications for such contracts should not be submitted for approval.

That each and every exhibition of every print of all pictures in the St. Louis Office must be evidenced by an approved contract therefor or an executed spot-booking contract, and that auditors be specifically instructed to carefully check the records of the St. Louis Offices in this regard.

That upon disclosure of any verbal agreements between any employee of the St. Louis Exchanges and any exhibitor, in any wise modifying or enlarging any written contract or providing for a gratis or repeat booking or the playing of pictures contracts for in any theatre other than that stated in the contract, the services of that employee will be forthwith dispensed with.

[fols. 1568-1570] That the By-Laws of the Film Board of Trade, particularly the Rules and Regulations Relating to Arbitration and the Credit Committee Rules must be abided by strictly, in spirit as well as in fact, that any member of the St. Louis Film Board of Trade may rely upon other members thereof to do likewise. That if any of them fail to do so, that there should be no hesitation in reporting the fact to the Secretary of the Board to make a report thereof to the full membership. That there be no hesitancy in making a frank and fair statement of the charge and furnishing the evidence to support it, as such free discussions and disclosures will do away with the existing feeling among the members of the Board of suspicion and lack of confidence in each other.

The Secretary presented for further consideration by the members, letter from Mr. Gabriel L. Hess, dated March 21, 1927, recommending the appointment of a Conciliation Committee, which letter was again read by the chair. After quite some discussion of this matter, a motion to establish a Conciliation Committee was defeated.

9-8 PW.

[fol. 1571] Record of Proceedings

30 Bks. 5-26—Adams Printers, St. L. July 25, 1927. 100 leaves.

Fox Film Corporation, C. W. McKean, Manager: Mr. C. W. McKean took contracts with Mr. Levi Chisholm, Orpheum Theatre, Fulton, Ky., while this exhibitor was on the Arbitration Information List, without additional security. Contract not approved.

Fox Film Corporation took contracts with Romance Theatre, Blandinsville, Ill., while this exhibitor was on Arbitration Information List.

Columbia Pictures Corp., Barney Rosenthal, Manager: Mr. Rosenthal took contract with new owner of the Beckemeyer Theatre, Beckemeyer, Ill., before Credit Committee reported upon sale or transfer. Contract taken by Noah Bloomer, and exhibitor stated Mr. Bloomer knew he was the new owner.

St. Louis Film Board of Trade. L. B. Schofield,

Mr. Thos. McKean was then given an opportunity to present his side of the case to the members of the Board of Directors, after which the matter was taken under consideration, and the following action unanimously taken:

Rescinded 9 26 27.—The Board of Directors find the Film Booking Offices did violate the Rules and Regulations as charged, and recommend that this member be suspended for a period of thirty (30) days—suspension to be imposed upon a second offense. Further, that the contract in question be cancelled.

Mr. C. W. McKean was then given an opportunity to present his side of the case to the members of the Board

of Directors, after which the matter was taken under consideration, and the following action unanimously taken:

Rescinded 9 26 27.—The Board of Directors find the Fox Film Corporation did violate the Rules and Regulations, as charged, and recommend that this member be suspended for a period of thirty (30) days—suspension to be imposed upon a second offense. The Board further recommends that the contract with Fulton, Ky., be cancelled. It is understood that the contract taken with

[fols. 1572-1574] Blandinsville has already been rejected.

Mr. Barney Rosenthal was then given an opportunity to present his side of the case to the members of the Board of Directors, after which the matter was taken under consideration, and the following action unanimously taken:

The Board of Directors find the Columbia Pictures Corporation did violate the Rules and Regulations, as charged, and recommend that this member be suspended for a period of thirty (30) days—suspension to be imposed upon a second offense. Further, that the contract in question be cancelled.

There being no further business to come before the Board of Directors, the meeting adjourned upon motion duly made, seconded and carried.

(Sgd.) C. T. Lynch, Chairman.

Attest: (Sgd.) L. B. Schofield, Secretary.

9-12, PW.

[fol. 1575] Film Boards of Trade

469 Fifth Avenue, New York

Charles C. Pettijohn, General Counsel. Gabriel L. Hess, General Attorney

September 13, 1927.

Miss L. B. Schofield, Secy., St. Louis Film Board of Trade, St. Louis, Mo.

Dear Miss Schofield: I note from a copy of the minutes of a special meeting of the Board of Directors of the St.

Louis Film Board of Trade, held on August 8, 1927, that such Board found that FBO had violated the Rules and Regulations Relating to Arbitration in that its salesman took a contract without security for its performance from Mr. Levi Chisholm, Orpheum Theatre, Fulton, Kentucky, while the exhibitor's name was listed upon the Arbitration Information List.

Such conclusion reached by the Board of Arbitration is an erroneous one for the reason that when an exhibitor fails or refuses to comply with an award against him by the Board of Arbitration, only such members of your Film Board of Trade then having existing contracts with such exhibitor are obligated under the Rules and Regulations Relating to Arbitration to demand security for the performance of such contracts.

Members of your Film Board of Trade who at the time the award was made had no existing contracts with such exhibitor are free to make contracts with him, with or without security for their performance. It is for each such class of members individually to determine in the exercise [fol. 1576] of their business judgment whether or not to enter into business relationship with an exhibitor who has been found by the Board of Arbitration to have breached his contract with another distributor. If any of them determine to do business with such exhibitor, notwithstanding their knowledge of his business conduct toward such other distributors, they must also at the time of making their contract, determine whether or not to require security for its performance. If the contract is made, and no security is required, there is no provision in the Standard [fol. 1577] Exhibition Contract giving the distributor the right to demand at some future time security for its performance, excepting in cases of the refusal or failure of the exhibitor to comply with an award against him, which award was made after the date of such contract.

In connection with the foregoing please read my remarks made at the Convention of Film Board of Trade Secretaries at French Lick, beginning with the first paragraph on page 53, and ending with the third paragraph on page 55 of the transcript of the minutes of the Convention.

Accordingly, the action of the Board of Directors should be rescinded, and upon a resubmission of the complaint it should be dismissed.

Like action should be taken in respect to the Fox Film Corporation and the complaint against it arising out of the contract with the same exhibitor.

May I not suggest instead of using the phrase "before the Credit Committee had approved sale or transfer" used in the complaint against the Columbia Pictures Corporation, the following language be used in place thereof: "before the Credit Committee reported upon the sale or transfer", and that the minutes be corrected accordingly?

Very truly yours, (Sgd.) Gabriel L. Hess, Gabriel L. Hess, General Attorney.

HD.
9-16, PW.

[fol. 1578] October 12, 1927.

Mr. Gabriel L. Hess, General Attorney Film Boards of Trade, 469 Fifth Avenue, New York, N. Y.

DEAR MR. HESS: We are enclosing copy of minutes of meeting of the Board of Directors called to consider alleged violations of Rules and Regulations of the Board.

You will see that the Board has recommended to the St. Louis Film Board of Trade that seven members be fined $25.00 and suspended for 30 days.

The St. Louis Film Board of Trade voted to adopt the recommendations of the Board of Directors, to become effective at the next meeting—October 24th. This was done in order to notify the New York office of the proposed action to be taken.

You will also note in the Minutes that the action taken by the Board of Directors on August 8th, involving F. B. O. Picture Corp. and Fox Film Corp. was rescinded in accordance with the information given in your letter of September 13th.

We have also corrected Minutes of August 8th to read—"before the Credit Committee reported upon the sale or transfer"—and would ask that you kindly change your copy.

Yours very truly, St. Louis Film Board of Trade.
—— ——, Secretary.

9-18, P.W.

[fol. 1579] Memphis-Little Rock Film Board of Trade, Office of the Secretary, Memphis, Tenn., 103 So. Second St.

Phone 6-0054

Oct. 11th, 1927.

Miss L. B. Schofield, Secretary St. Louis Film Board of Trade, 3312 Olive St., St. Louis, Mo.

DEAR MISS SCHOFIELD: We are advised by a reliable salesman who passed through Eureka Springs last week that the Commodore Theatre had advertised as coming, Charlie Chaplin in "The Gold Rush."

As you know, this theatre is on our Uncomplied List and has been for months and the only service he is supposed to be using is First National with whom he has placed a deposit. (First National of this city.)

Won't you kindly investigate this matter and advise if Herman Alwes has placed a deposit with United Artists?

Frankly, we have excused United Artists in several instances where they have violated the rules by serving accounts in our territory and the next offense we will have to take up with the Home Office.

Thanking you for your usual kind and prompt attention in this matter, we are

Sincerely yours, (Sgd.) Alma A. Walton, Secretary.

9-20, P.W.

[fol. 1580] October 14, 1927.

Mr. Jos. Levy, Branch Manager United Artists Corp., St. Louis, Mo.

DEAR MR. LEVY: It has been reported by the Memphis-Little Rock Film Board of Trade that your office continued to serve the Commodore Theatre, Eureka Springs, Ark., without security after this theatre failed to comply with award of Arbitration Board and demand for additional security had been made by you.

Will you please arrange to defend this charge before the Board of Directors on Saturday morning (Oct. 15th) at 10:30 A. M.

Yours very truly, St. Louis Film Board of Trade.
—— ——, Secretary.

Waived notice.
9-21, P.W.

[fol. 1581] October 14, 1927.

Miss Alma Walton, Secretary, Memphis-Little Rock Film Board of Trade, Memphis, Tenn.

DEAR MISS WALTON: We have your letter of the 11th, stating that United Artists Corp. continued to serve the Commodore Theatre, Eureka Springs, Ark., without additional security after this account had failed to comply with Arbitration Board award.

Our Board of Directors are taking this up with Mr. Joe. Levy, Branch Manager, United Artists Corp. We will let you know their decision after the meeting, which is to be held tomorrow.

This account had a picture booked with United Artists Corp. for showing the 14th and 15th. Needless to say this shipment was not made.

Yours very truly, St. Louis Film Board of Trade.
—— ——, Secretary.

9-22, P.W.

[fol. 1582] Form 1206-A

Western Union

Class of Service Desired:

Domestic: Telegram, Day Letter, Night Message, Night Letter.

Cable: Full Rate, Deferred, Cable Letter, Week End Letter.

Patrons should check class of service desired; otherwise message will be transmitted as a full-rate communication.

No. Cash or Chg. Check. Time Filed.

Newcomb Carlton, President. J. C. Willever, First Vice-President

Send the following message, subject to the terms on back hereof, which are hereby agreed to.

October 14, 1927.

Manager Western Union Office, Eureka Springs, Ark.:

XXXXXXXX

Please wire collect titles XX motion pictures shown Commodore Theatre tonight.

St. Louis Film Board of Trade.

Charge a/c.
9-23, P. W.

[fol. 1583] February 29, 1928.

A. L. Menagh, Secretary Kansas City Film Board of Trade, Kansas City, Missouri.

DEAR MISS MENAGH: We have been listing Eureka Springs, Arkansas, Commodore Theatre, on our Arbitration Information List under Memphis, Tenn. since March, 1927.

We have been advised that Tiffany-Stahl Productions of Kansas City, have taken a contract with this account and are serving him right along.

Will you please investigate and let us know whether they are serving under security?

Yours very truly, St. Louis Film Board of Trade.
——— ———, Secretary.

LBS: RD.

P. S.—How about the yellow Copyright Protection sheets on Glasgow, etc.?
9-24, P. W.

[fol. 1584] Kansas City Film Board of Trade, 1717-19 Wyandotte Street, Kansas City, Missouri

Office of Secretary, A. L. Menagh

Telephone: Harrison 6902

March 10, 1928.

L. B. Schofield, Secretary St. Louis Film Board of Trade, St. Louis, Missouri.

DEAR MISS SCHOFIELD: In answer to your letter of February 29th, with reference to Tiffany Stahl Productions

serving Herman Alwes for the Commodore Theatre, Eureka Spgs., Arkansas, wish to state that Tiffany solicited new business from this Exhibitor and have been serving him for some time without security.

We notice on the Oklahoma City Film Board of Trade bulletin that Mr. Alwes has now sold out to the Tri-State Theatres Corporation, which will automatically take care of this situation.

Very truly yours, Kansas City Film Board of Trade.
(Sgd.) A. L. Menagh, Secretary.

ALM: MY.
9-25, P. W.

[fol. 1585] March 21, 1928.

A. L. Menagh, Secretary Kansas City Film Board of Trade, Kansas City, Missouri.

DEAR MISS MENAGH: Your letter of March 10th, with reference to the Commodore Theatre, Eureka Springs, Ark., was read at the last meeting of the Board and we were directed to write you and ask whether or not any charges were preferred against Tiffany-Stahl Productions, Inc., for taking a contract with Eureka Springs, Arkansas, and serving them without security while they were on the Arbitration Information List—if so what action was taken on this violation by your Board?

Yours very truly, St. Louis Film Board of Trade.
—— ——, Secretary.

LBS: RD.
9-26, P. W.

[fol. 1586] Kansas City Film Board of Trade, 1717-19 Wyandotte Street, Kansas City, Missouri

Office of Secretary, A. L. Menagh

Telephone: Harrison 6902

March 22, 1928.

L. B. Schofield, Secretary St. Louis Film Board of Trade, 3312 Olive Street, St. Louis, Missouri.

DEAR MISS SCHOFIELD: I have your letter of March 21st, with further reference to Tiffany serving Eureka Springs,

Arkansas, when there was an Arbitration Award against the Exhibitor.

In answering your question as to whether or not charges were preferred against Tiffany, for the above, and as to what action was taken by our Members, I would first like to ask you a question:

How do you interpret Mr. Hess's Ruling, which may be found on page 55 of our Minutes of the French Lick Convention, reading as follows:

"That brings us to this situation: Where an award has been made against an exhibitor who fails to live up to his contract and security is demanded on the existing contract by your Members. Those who have existing contracts may—and they are not violating any rule if they do so—enter into a new contract with that Exhibitor with or without security. Members who have no contract may enter into a new agreement with that exhibitor with or without security."

While it is not the practice of our Members to take a Contract where there is an Arbitration Award pending against the Exhibitor, in case it should happen, I do not see how we have any authority to act on the same, in view of the above.

I will admit it seems all wrong, and would like to have you advise me how you handle such situations. We have done nothing about the Tiffany matter, to date.

Very truly yours, Kansas City Film Board of Trade.
(Sgd.) A. L. Menagh, Secretary.

9-27, P. W.

[fols. 1587-1598] (In handwriting on sheet of long, ruled yellow pad paper:)

"Letter from Kansas City Film Board of Trade, dated March 10th, with reference to charge of violation on the part of Tiffany-Stahl Productions, Inc. of the Rule of the Board by the sale of contract to the Commodore Theatre Eureka Springs, Arkansas, was read by the secretary, who was directed to write to the Kansas City Film Board of Trade to ascertain what action had been taken with reference to this matter."

Minutes of 3/19/28.

"Letter from the Kansas City Film Board of Trade, dated March 22nd, with reference to Eureka Springs, Arkansas, was read by the secretary, who was directed to refer same to the Memphis-Little Rock Film Board of Trade.

Minutes of 4/2/28.

9-27a, P. W.

[fol. 1599] St. Louis Film Board of Trade, 3312 Olive Street, St. Louis, Mo.

Rules of Practice and Procedure Joint Arbitration Board

Adopted Sept. 30, 1927

1. Branch Manager, representing Distributor, must appear in person on claims, if he is in town. Otherwise person designated by him to represent Distributor must have authorization signed by the Manager.

2. Contracts submitted on claims must be signed either by the owner of the theatre, an officer of the corporation owning or controlling the theatre, or a manager who has written authority to sign contracts, except in such instances where the Exchange has an O. K. by the Exhibitor on a work sheet.

3. Where an Exhibitor from out of town is present, his case will take precedence over other claims.

4. Where Plaintiff is not present and Defendant is present when case is called, the case will be dismissed with prejudice against the Plaintiff for want of prosecution.

5. Where neither Plaintiff nor Defendant is present when case is called, claim will be returned to Plaintiff to be handled at their discretion.

6. Both parties to a claim will be dismissed immediately after the presentation of their sides of the case. The Arbitration Board will positively not hold any discussion of the merits of a case or render decisions except in executive sessions.

7. No Distributor will be permitted to present more than fifteen (15) claims in any one month to the Arbitration Board.

8. The Board of Arbitration does adopt a ruling limiting the filing of claims by all parties to a period within one year of the date of the alleged breach of contract.

9. When complete file is not furnished with a claim, the claim will be returned to the Distributor for proper presentation. Each claim should consist of two copies of the Claim Statement, worded in accordance with suggested forms attached, the original contract involved, and all correspondence pertaining to the case.

10. Request for postponement by the Distributor of claim set for hearing must be filed with the secretary three (3) days in advance of date of hearing so that Exhibitors from out of town may be notified.

Ex. 10-45A.

[fol. 1600] Page No. 2

11. If request for re-hearing by either of the parties to a claim which has been presented and decided upon by the Board of Arbitration asks that the original members sitting upon such case act on the request for re-hearing, that such request shall be granted. Otherwise, the Arbitration Board then sitting shall have the power and authority to act on the request for re-hearing.

12. In case a tie vote results on a claim heard by four arbitrators, before a fifth arbitrator is called in, the case shall be heard by the full Arbitration Board of six members. Should a tie vote then result, a seventh arbitrator shall be called in.

13. In all cases where a Distributor makes a claim with the Joint Arbitration Board for total loss on account of damaged film, the film must be submitted to the Board for inspection at the first regular meeting. In cases of partial damage of film, where it is necessary to send the print out in spite of its damaged condition, it will be necessary for the Distributor to call in one competent Exhibitor and one

competent Exchange Manager to inspect the damaged film. A signed statement as to the condition of the film should be secured from these parties and attached to the claim for damage.

14. First letters on all claims will be sent out by the Secretary. The Secretary will also send out the second letter, setting the date of hearing, on all cases where the Exhibitor has failed to reply to the first letter, without first referring the claim back to the Arbitration Board. In all cases where the Exhibitor does reply to the first letter, claim is to be referred back to the Board of Arbitration for instructions as to setting time of hearing, or such other instructions as the Board will give.

15. That the chairman of the Arbitration Board be elected by said Board each three months, or simultaneous with the change of the Distributor members of the Board.

16. Meetings will convene promptly at 1:30 P. M. every other Friday, except on holidays, when the meeting will be held on Thursday at 1:30 P. M.

Joint Arbitration Board. Oscar Lehr, Chairman; C. Kaimann, W. O. Reeve, Representing Exhibitors. C. T. Lynch, J. E. O'Toole, M. Schweitzer, Representing Distributors.

Ex. 10-45B.

[fol. 1601] St. Louis Film Board of Trade, 3312 Olive Street, St. Louis, Missouri

Rules of Practice and Procedure Joint Arbitration Board

Adopted November 18, 1927

Page No. 3

17. In all cases coming before the Joint Arbitration Board it is understood the Distributor guarantees delivery of all product for which claim is made. In the event claim is filed on product which can not be delivered, and this fact comes to the knowledge of the Joint Arbitration Board, any award actually made in favor of the Distributor pertaining

to such product shall be declared null and void by the Joint Arbitration Board.

18. After an award has been made by the Joint Arbitration Board, same can not be set aside except by action of the Joint Arbitration Board. In other words, except on compliance with the exact terms of the award, no withdrawal of a claim after an award has been made will be allowed except on permission of the Joint Arbitration Board. Further, no modification of an award will be permitted. If either party to an award wishes to modify the terms as set forth by the Joint Arbitration Board, and such modification is acceptable to the other party, the matter must be referred to the Joint Arbitration Board for their approval.

Joint Arbitration Board. Oscar Lehr, Chairman; C. Kaimann, W. O. Reeves, Representing Exhibitors. C. T. Lynch, J. E. O'Toole, M. Schweitzer, Representing Distributors.

Ex. 10-45C.

[fols. 1602-1618] L. B. Schofield, Secretary.

Joint Arbitration Board of St. Louis Film Board of Trade and Motion Picture Theatre Owners of Eastern Missouri and Southern Illinois, 3312 Olive Street, St. Louis, Mo.

Motion Made at Meeting April 18th

The Joint Arbitration Board shall postpone any meeting of the Board unless two of the regular Exchange members of the Board are present.

Four regularly appointed members of the Arbitration Board two representing Exhibitors, and two representing Distributors shall constitute a quorum.

Ex. 10-45G P.W.

[fol. 1619] May 7th, 1926.

Board of Arbitration Copy

Claim Statement

Complainant: Universal Film Exchanges, Inc.

Defendant: Jacksonville Theatre, Jacksonville, Mo.

Reason for Claim: Refusing shipments and failing to live up to terms of contract.

Contracts Attached: Two.

A. Date of Contracts: 12/1/26, 1/12/26.

B. Signed by: W. H. Bean, W. H. Bean.

C. Salesman: S. M. Rose, S. M. Rose.

D. Subjects and Price: ——.

E. Subjects Played: ——.

F. Subjects Unplayed: 4 Gibsons @ $11.00, 7 Hoxies @ $11.00, 4 Desmonds @ $11.00, 2 Waltons @ $11.00, 2 La-Plantes @ $11.00, 6 Rawlinsons @ $11.00, 5 Melodramas @ $11.00, 32 1-reel comedies @ $1.50.

Amount of Claim: $378.00. How determined: By extending and totalling price of unplayed subjects, as listed above.

We want play dates on above subjects, as per terms of contract.

Correspondence Attached: Their letter of 4/30/26. Our letters 4/22/14/28-26.

Signature of Complainant: —— ——, Manager, Ass't Manager.

Claim Received: May 10, 1926.

Exhibitor Notified: ——.

Answer Received: ——.

Date of Decision: ——.

Exhibit #50-1, P.W.

[fol. 1620] Form No. 4

In the Matter of the Arbitration of Universal Film Exchanges, Inc., Distributor, and W. H. Bean, Jacksonville Theatre, Jacksonville, Missouri, Exhibitor.

City: St. Louis.

State: Missouri.

County: ——.

We, the undersigned arbitrators, having been duly appointed to arbitrate the matters in controversy existing be-

tween the above named Distributor and Exhibitor as by the provisions of the contract between said Distributor and said Exhibitor provided (or by the conditions of their submission in writing executed by said Distributor and Exhibitor respectively and sealed with their respective seals and duly acknowledged) and after having taken the oath and after hearing the proofs and allegations of the said parties and due deliberation having been made, we do hereby award, determine and order; that is to say:

(Here express in clear and precise terms the awards so that nothing shall be left uncertain. The award should be final in its terms so as to terminate the controversy.)

That Mr. W. H. Bean, the Exhibitor, pay to Universal Film Exchanges, Inc., the Distributor, within seven (7) days from the date of this award, the sum of $378.00 as damages for breach of contracts dated December 1, 1925, and January 12, 1926, with the Distributor in that the Exhibitor by the transfer of the Exhibitor's interest in the Jacksonville Theatre, Jacksonville, Missouri, to parties who by their refusal to accept, pay for and exhibit at said theatre the pictures in said contracts remaining to be exhibited, have made it impossible for the Exhibitor to carry out and perform said contracts.

In witness whereof we have subscribed this award this 18th day of June, 1926.

Exhibitors: Oscar Lehr (L. S.), W. O. Reeves (L. S.), Jos. Mogler (L. S.) Distributors: James Harris (L. S.), C. T. Lynch (L. S.), —— —— (L. S.).

STATE OF MISSOURI,
County of ——,
City of St. Louis:

On this 18th day of June, 1926, before me, a Notary Public in and for said County and State, personally appeared Oscar Lehr, W. O. Reeves, Jos. Mogler, James Harris and C. T. Lynch, known to me to be the individuals described in and who executed the foregoing instrument, and they duly acknowledge to me that they executed the same.

[fol. 1621] L. B. Schofield, Notary Public. My commission expires Nov. 14, 1928. (Notarial Seal).

Exhibit #50-5, P. W.

[fol. 1622] St. Louis Film Board of Trade, an Association of the Moving Picture Film Exchanges, Saint Louis

Office of the Secretary, 3312 Olive Street

June 10, 1926.

Postmaster, Jacksonville, Missouri.

DEAR SIR: Will you please advise us whether or not the Jacksonville Theatre, Jacksonville, Mo., is operating at the present time—if so, on what days? Is Mr. W. H. Bean still the owner of this theatre?

We are enclosing herewith a stamped addressed envelope for your reply, for which we take this occasion to thank you.

Yours very truly, St. Louis Film Board of Trade,
L. B. Schofield, Secretary.

Mr. Bean is not operating a theatre here—We don't have shows here now.

J. Durham, P. M.

Exhibit No. 50-7, P. W.

[fol. 1623] Universal Film Exchanges, Inc.,

3320 Olive Street, St. Louis, Mo.

Address all replies to the office sending this letter and refer to ——.

November 11th, 1926.

Miss L. B. Schofield, Film Board of Trade, 3312 Olive Street, St. Louis, Mo.

DEAR MISS SCHOFIELD: We have never received settlement from Mr. W. H. Bean, Jacksonville Theatre, Jacksonville, Mo., of $535.50 for the decision rendered June 18th, 1926.

Yours very truly, Universal Film Exchanges, Inc.
M. J. Rogers, M. J. Rogers, Assistant Manager.

MJR:JG.

Exhibit #50-8.

[fol. 1624] Universal Film Exchanges, Inc.,

3320 Olive Street, St. Louis, Mo.

Address all replies to the office sending this letter and refer to ——.

November 15th, 1926.

Miss L. B. Schofield, Film Board of Trade 3312 Olive Street, St. Louis, Missouri.

DEAR MISS SCHOFIELD: We received a decision from the Arbitration Board on or about June 18th, 1926, for $535.50 against W. H. Bean, Jacksonville Theatre, Jacksonville, Mo. Our representative has just called our attention to the fact that this man is running a theatre in Madison.

This is for your information.

Yours very truly, Universal Film Exchanges, Inc. M. J. Rogers, M. J. Rogers, Assistant Manager.

MJR:JG.

Exhibit No. 50-9.

[fol. 1625] Kansas City Film Board of Trade, 1717-19 Wyandotte Street, Kansas City, Missouri

Office of Secretary A. L. Menagh

Telephone: Harrison 6902

August 18, 1927.

L. B. Schofield, Secretary, St. Louis Film Board of Trade, 3312 Olive St., St. Louis, Missouri.

DEAR MISS SCHOFIELD: Enclosed please find copies of letters turned over to me by the office manager of First National Pictures, Inc., of Kansas City, Missouri, to forward to you for your information.

Very truly yours, Kansas City Film Board of Trade. A. L. Menagh, G. T., Secretary.

Exhibit No. 50-10, PW.

[fol. 1626] Copy

P. O. R. F. D., Excello, Mo., August 16, 1927.

First National Pictures, Inc., Kansas City, Missouri.

GENTLEMEN: The attached copy will need no explanation. I know nothing of the deal whatever and I feel quite sure that this deal was made by Mr. Bean after the partnership was dis-olved. I shall write you immediately upon receipt of a reply to the letter of which you have a copy, in the meantime I would appreciate it if you will get in touch with the Paramount Office and ask them any question you may desire to, regarding our business relations and whether or not we have ever taken any advantage in any way during the several years we have used their service. We sincerely trust this matter can be corrected as I have always regarded my reputation as an exhibitor as being the most valuable asset I possess.

Very truly yours, H. L. Roebuck.

Exhibit No. 50–11, P. W.

[fol. 1627] Copy

P. O., R. F. D. Excello, Mo., not dated.

Universal Film Exchanges, Inc.,
St. Louis, Missouri.

GENTLEMEN: We are writing you regarding a letter from the First National Picture Co. of Kansas City, Mo., which was forwarded to me from Madison, Missouri, addressed to Bean & Robuck % Gem Theatre, in which they state that you have reported to the Kansas City Joint Board of Arbitration that said Bean & Robuck have failed to comply with the terms of some contract which they made with your company. The writer has no knowledge of any such contract, our records show the only contracts that were made by the above mentioned parties were fulfilled in every detail. You may have reference to some deal which you have had with Mr. Bean individually as he did operate some time after the partnership was dis-olved. Will you kindly advise me whether or not the contract in question was signed by Bean & Robuck or by W. H. Bean. The writer has never made

a contract with any one that was not fulfilled in every respect and is therefore very anxious to have the matter corrected. Will you kindly give this your immediate attention.

Yours very truly, H. L. Roebuck.

Exhibit #50-12, P. W.

[fol. 1628] Kansas City Film Board of Trade, 1717-19 Wyandotte Street, Kansas City, Missouri

Office of Secretary, A. L. Menagh

Telephone: Harrison 6902

August 20, 1927.

St. Louis Film Board of Trade, 3312 Olive St., St. Louis, Missouri.

Dear Mr. Schofield: Kindly be advised that Mr. Roebuck was in this Office today, trying to get his difficulties straightened out.

It seems that some mistake has been made in regard to this Exhibitor. As Mr. Roebuck dis-olved partnership with Mr. Bean in December 1925, and the contract in question was taken January 12, 1926. Also that this contract did not have Mr. Roebuck's signature on it, but only that of Mr. Bean.

We called Universal Office of St. Louis today, and they advised us that their award was not against Mr. Roebuck but against Mr. Bean, and that the contract in question was taken at Jacksonville, Missouri.

Mr. Roebuck is very anxious to get this matter straightened out, inasmuch as his service is cut off, and he wants service by next Saturday.

Will you kindly get in touch with this office and let us know just how the matter stands? Also advise Mr. Roebuck whether or not he will be able to get service next Saturday.

Very truly yours, Kansas City Film Board of Trade.
D. G. Tolman, Acting Secretary.

Exhibit #50-13, P. W.

[fol. 1629] Kansas City Film Board of Trade, 1717-19 Wyandotte Street, Kansas City, Missouri

Office of the Secretary, A. L. Menagh

Telephone Harrison 6902

#9. Sept. 1, 1927.

St. Louis Film Film Board of Trade, 3312 Olive St., St. Louis, Missouri.

GENTLEMEN: We would appreciate a reply to our letter of August 20th, advising us what we should do in regard to serving Mr. H. L. Roebuck, Madison, Missouri.

Very truly yours, Kansas City Film Board of Trade,
A. L. Menagh, Secretary.

ALM: GT.
Exhibit #50-14, P. W.

[fol. 1630] Kansas City Film Board of Trade, 1717-19 Wyandotte Street, Kansas City, Missouri

Office of Secretary, A. L. Menagh

Telephone: Harrison 6902

November 9, 1927.

L. B. Schofield, Secretary St. Louis Film Board of Trade, 3312 Olive St., St. Louis, Missouri.

DEAR MISS SCHOFIELD: Paramount are inquiring as to whether or not they may take a contract with Mr. Roebuck, at Madison, Missouri. I have informed them that they cannot, inasmuch as you still have Bean and Roebuck listed on your Arbitration Award list. Is this correct?

We had considerable correspondence with you in August, of this year, regarding the above named Exhibitor, but to my knowledge, nothing definite has ever been settled. Are Universal still holding Mr. Roebuck on this Award?

Very truly yours, Kansas City Film Board of Trade.
A. L. Menagh, Secretary.

Exhibit #50-16, P. W.

[fol. 1631] November 12, 1927.

Miss A. L. Menagh, Secretary, Kansas City Film Board of Trade, 1717 Wyandotte Street, Kansas City, Mo.

DEAR MISS MENAGH: Answering your letter of the 9th—we have taken up the matter of their claim against the Jacksonville Theatre, Jacksonville, Mo.—W. H. Bean & H. L. Roebuck—with Universal Film Exchanges, Inc. and find that they wish to withdraw from their claim a contract signed by Roebuck & Bean, as Mr. Roebuck has adjusted with them on this contract.

This leaves only an award against W. H. Bean, and we shall continue to carry him on the Arbitration Information List as a former owner.

It will therefore be quite all right for Paramount and all of your members to accept contracts with Mr. Roebuck, so far as this Board is concerned.

Yours very truly, St. Louis Film Board of Trade,
—— ——, Secretary.

Exhibit #50-17, P. W.

[fol. 1632] Board of Arbitration Copy

Claim Statement

Complainant: Pathe Exchange, Inc., 3318 Olive St., St. Louis.

Defendant: Mrs. Frances Peart, Pert Theatre, Gillespie, Ills.

Reason for Claim: Missuse of Comedy "Gosh Darn Mortgage" at the Eagle Theatre, Livingston, Illinois.

Contracts Attached: Yes.

A. Date of Contracts: Pert-Gillespie, Ills., 1/12/26, 1/5/26.

B. Signed by: Frances Peart.

C. Salesman: Jno. Noehrn, Joe Stark.

D. Subjects and Price: 6 serials—Wild West, 5.00; Play Ball, 5.00; Ten Scars, 3.50; Hoofs, 3.50; Idaho, 4.00; Sunken Silver, $4.00; 97 2-reel comedies, $5.00.

E. Subjects Played: Idaho, Wild West, Play Ball, 50 2-reel comedies.

(List of Livingston Contracts (also copies) attached.)

F. Subjects Unplayed: Ten Scars, Galloping Hoofs, Sunken Silver, 47 2-reel comedies.

($817.50 for unplayed service and service used in Gillespie since May 25th, $1000. damages.)

Amount of Claim: $1817.50. How Determined: Against Mrs. Peart, manager of the Pert Theatre, Gillespie, Illinois, also of Eagle Theatre, Livingston, Illinois, for the missuse at the Eagle Theatre, Livingston, Illinois, under date of Saturday August 7th, of a two reel Mack Sennett Comedy "Gosh Darn Mortgage", under contract in Gillespie but not in Livingston, substantiated by affidavits of three witnesses. The making of all contracts noncancellable which are now in effect in Gillespie, Illinois, (see list above) and contracts in Livingston covering all played and unplayed [fol. 1633] product in Gillespie starting with the date of May 25th on which this house was taken over by Mrs. Peart with immediate play dates in both towns and in addition to this payment of $1000. damages accruing to us through this missuse of film.

Signature of Complainant: (Sgd.) Pathe Exchange, Inc. (Sgd.) James A. Harris, Manager, Ass't. Manager.

Claim Received: ——.
Exhibitor Notified: ——.
Answer Received: ——.
Date of Decision: ——.

84-1, P.W.

[fol. 1634] Board of Arbitration Copy

Claim Statement

Complainant: ——.
Defendant: ——.
Reason for Claim: ——.
Contracts Attached: ——.

A. Date of Contracts: 1/13 26—Eagle, Livingston, Ills.

B. Signed by: Geo. Stanke Vanzo & Kopuster.

C. Salesman: Jno. Noehrn.

D. Subjects and Price: 4 serials, $4.00 each EP.; 2 serials, 3.50 each EP.; 1 2nd-series Langdons, $3.50 ea.; Æsop Fables, $2.00 each; 8 Pathe-Associated Features, $7.50.

E. Subjects Played: 2 serials, $4.00 each EP.; 8 Langdons.

These contracts to be made non-cancellable with immediate playdates.

F. Subjects Unplayed: 4 serials, 2 $4.00 Ep., 2 3.50 Ep.; 1 Langdon Comedy at $3.50; Æsop Fables S. O., $2.00; 8 Pathe-Associated Features.

Amount of Claim: $—. How Determined: ——.

(See Gillespie Claim attached.)

Correspondence Attached: ——.

Signature of Complainant: —— ——, Manager: —— ——, Ass't Manager.

Claim Received: ——.

Exhibitor Notified: ——.

Answer Received: ——.

Date of Decision: ——.

84-2, P.W.

[fol. 1635] (Body of letter in ink handwriting)

Pert Theatre, Frances Peart, Mgr., Gillespie, Illinois

8/19, 1926.

Film Board of Trade.

Dear Sirs: Facts: That I used "Gosh Darn Mortgage" in Livingston is true.

I sent my son in to St. Louis Wednesday as I am unable to go thru sickness, but he did not have much success with Mr. Harris, so I have written him and offered to pay him for the comedy and am awaiting his reply.

Yours truly, Frances Peart.

84-4, P.W.

[fol. 1636] In the Matter of the Arbitration of Pathe Exchange, Inc., Distributor, and Mrs. Frances Peart, Pert Theatre, Gillespie, Illinois, Exhibitor

City St. Louis,
State Missouri,
County ——:

We, the undersigned arbitrators, having been duly appointed to arbitrate the matters in controversy, existing between the above named Distributor and Exhibitor as by the provisions of the contract between said Distributor and said Exhibitor provided (or by the conditions of their submission in writing executed by said Distributor and Exhibitor respectively and sealed with their respective seals and duly acknowledged) and after having taken the oath and after hearing the proofs and allegations of the said parties and due deliberation having been made we do hereby award, determine and order; that is to say:

(Here express in clear and precise terms the awards so that nothing shall be left uncertain. The award should be final in its terms so as to terminate the controversy.)

That Mrs. Frances Peart of the Pert Theatre, Gillespie, Illinois, be required to pay to Pathe Exchange, Inc., within seven (7) days from the date of this award, double the price of every comedy played at Gillespie, Illinois, since the Livingston Theatre, Livingston, Illinois, has been acquired by Mrs. Peart; further

That a penalty of $250.00 be assessed against Mrs. Peart for the wilful violation of the provisions in contracts with Pathe Exchange, Inc. relating to the time and place of exhibition of film by the "bicycling" of film To Livingston, Illinois, from Gillespie, Illinois. This penalty of $250.00 to be paid to Pathe Exchange, Inc. within fourteen (14) days from the date of this award.

This Board further recommends to Mrs. Peart that all contracts with the Pathe Exchange, Inc. for Gillespie, Illinois, be played out in their entirety without violation of any kind.

In witness whereof we have subscribed this award this [fol. 1637] 27th day of August, 1926.

Exhibitors: Oscar Lehr (L. S.), W. O. Reeves (L. S.), —— —— (L. S.). Distributors: H. I. Krause (L. S.), C. T. Lynch (L. S.), —— —— (L. S.).

State of Missouri,
County of ——,
City of St. Louis:

On this 27th day of August, 1926, before me, a Notary Public in and for said County and State, personally appeared Oscar Lehr, W. O. Reeves, H. I. Krause and C. T. Lynch, known to me to be the individuals described in and who executed the foregoing instrument, and they duly acknowledged to me that they executed the same.

(Sgd.) L. B. Schofield, Notary Public. My commission expires Nov. 14, 1928. (Notarial Seal.)

(Union Label) 168.
84-7, P.W.

[fol. 1638] St. Louis, Mo.

No. 317

Board of Arbitration Copy

Claim Statement

June 9, 1927.

Complainant: Warner Bros. Vitagraph Inc., St. Louis, Mo.

Defendant: Mr. John Biler, Biler Theatre, Bloomfield, Missouri.

Reason for Claim: Refused "Gay Old Bird" 5/21/27 $10.00. "My Official Wife" 5/28/27 $10.00. We ask payment these pictures. Also, payment of an additional picture which will bring him up to necessary playing arrangement.

Contracts Attached: Yes.

A. Date of Contracts: 3/29/27.

B. Signed by: John Biler.

C. Salesman: L. E. Goldhammer.

D. Subjects and Price: 26 pictures. 5 pictures @ $15.00; 3 pictures @ $12.50; 10 pictures @ $7.50; 8 pictures @ $8.50; Complied 8/11/27.

E. Subjects Played: (Show date on which the last subject used by Exhibitor was played.) No. 1—7/23 Col—FBO—1st N—Fox—Gotham—Un—Warner; No. 2—7/30 Col—FBO—1st N—Fox—Ua—Warner—Gotham.

F. Subjects Unplayed: A Million Bid, Across Pacific, Climbers, Third Degree, College Widow, Every Girl Should Know, My Official Wife, Gay Old Bird, Tracked by Police, White Flannels, Black Diamond Express, Simple Sis, Irish Hearts, Don't Tell Wife, Hills of Kentucky, Finger Prints, Bitter Apples, Matinee Ladies, Dearie, Happened to Father, While London Sleeps, Private Izzy Murphy, The Brute, Heart of Maryland, Millionaires, Wolf's Clothing.

Amount of Claim: $255.50. How Determined: 5 @ $15.00—$75.00; 3 @ $12.50—$37.50; 10 @ $7.50—$75.00; 8 @ $8.50—$68.00;—$255.50.

Correspondence Attached: Yes.

[fol. 1639] Claim Received: Jun. 8, 1927.

Exhibitor Notified: ⁼1—6 10.

Answer Received: ——.

Date of Decision: ⁼2—6 24.

Signature of Complainant: L. E. Goldhammer, Manager, Ass't. Manager.

Exhibit ⁼103-1, P.W.

[fol. 1640]

Opera House

Main Street

The Dixie Theatre

John Biler, Proprietor,

New Madrid, Missouri

June 15th, 1927.

Film Board of Trade, St. Louis, Mo.

Dear Sir: Your letter of June 13th just received, and I note what you have to say about The Warner Bros. Vitagraph Inc. which you say thay are making a claim against us for non Fulfillment of Contract.

well in making a long story short, we havent got any contract. with Warner nor Vitagraph. the contract which they are trying to force on us. was signed up on Mar. 29th. and on March. 31st. it was Caacelled out in which we sent them a Registered letter and which we got a return card signed up. showing that thay received. the letter. and we also have got a four eye witness in which we wer- in the Warner, Vitagraph Office, March 29th, and also wer- there on 30th. and which Mr. Goldhammer, stated to us that he would Cancell out the contract. before he would make a lower price on his pictures then what he had already made the price. and frankly sed before he would give us a lower price then he had he would cancell the Contract. and we told him to go ahead and cancell.

we all ready knew that we had 10 days fot to cancell out the contract. so after we got back home we thought maby that Mr. Goldhammer might take a dif-erent notion and would not cancell Out the Contract. and for this reason we sent him a Registered letter. so that there would be no mistake in our part. and their Claim that thay say that thay have got against. US. is not true.

I am yours very truly

John Biler.

Exhibit #103-3, P.W.

[fol. 1641] Form No. 4

City: St. Louis.
State: Missouri.
County: ——.

In the Matter of the Arbitration of Warner Bros.-Vitagraph, Distributor, and John Biler, Biler Theatre, Bloomfield, Missouri, Exhibitor.

We, the undersigned arbitrators, having been duly appointed to arbitrate the matters in controversy existing between the above named Distributor and Exhibitor as by the provisions of the contract between said Distributor and said Exhibitor provided (or by the conditions of their submission in writing executed by said Distributor and Exhibitor respectively and sealed with their respective seals and duly acknowledged) and after having taken the oath and after hearing the proofs and allegations of the said

parties and due deliberation having been made we do hereby award, determine and order; that is to say:

(Here express in clear and precise terms the awards so that nothing shall be left uncertain. The award should be final in its terms so as to terminate the controversy.)

Inasmuch as the contract between John Biler, Biler Theatre, Bloomfield, Missouri, the Exhibitor, and Warner Bros.-Vitagraph, the Distributor, dated March 29, 1927, was approved by the Distributor before the Exhibitor's withdrawal was mailed to the Distributor, we find this contract to be valid and the Exhibitor will be required to fulfill same by furnishing to the Distributor play dates on all pictures within fourteen (14) days from the date of this award, service to start in August and used in accordance with the terms of the contract.

In witness whereof we have subscribed this award this 8th day of July, 1927.

Exhibitors: Oscar Lehr (L. S.), Ralph Goldman (L. S.). Distributors: S. J. Hankin (L. S.), Barney Rosenthal (L. S.).

STATE OF MISSOURI
County of ——,
City of St. Louis:

On this 8th day of July, 1927, before me, a Notary Public in and for said County and State, personally appeared Oscar Lehr, Ralph Goldman, S. J. Hankin and Barney Rosenthal known to me to be the individuals described in and who executed the foregoing instrument, and they duly acknowledged to me that they executed the same.

L. B. Schofield, Notary Public. My Commission expires Nov. 14, 1928. (Notarial Seal.)

Exhibit No. 103-6, P. W.

[fols. 1642-1650] Opera House, Main Street

The Dixie Theatre, John Biler, Proprietor, New Madrid, Missouri

8/10-19 27.

Mr. Mickey Goldhammer, Vitagraph Inc., St. Louis, Mo.

DEAR SIR: As information over telephone a few days ago. for to give you starting date on the Contract which we have

for pictures for Bloomfield, Mo. I find it impossible for to give play dates for New Madrid, Mo. for we are at the Present time just Blocked of with Pictures. and farther more the Business here is sure Bad.

Now hwse is what I can Do. I can give you starting date for Bloomfield, Aug. 17th. and one every other week. until Business gets better. bloomfield is a ded bird at this time. and can only run three shows a week. we will use your pictures every other week On Wednesday. and First National every other week On wednesday. I am also alternating ever other staurday with Fox. and F. B. O. and also alternating every other week. on Monday. with Columbia. And Gotham.

Now Mr. Goldhammer. I hope that this will be all satisfactory with you. I will try and be in a better shape this fall when your Mr. Lorange calls on me again. I will be able for as to Contract for your new Pictures for New. Madrid, Mo. If this all satisfactory. please send advertising at Once on first Picture. such as a one shee Photos and slide. I will order advertising after I get your Booking On your Pictures.

I am yours very truly, Bloomfield, Mo.

John Biler.

P. S.—Dear Miss Schofield Here is a copy of Letter to Mr. Goldhammer Hoping He will except Same.

Exhibit #103-7, P. W.

[fol. 1651] GOVERNMENT EXHIBIT 23

Cleveland Film Board of Trade Arbitration Case

[fol. 1652] No. 1

May 23rd, 1928.

Fox Film Corp., Cleveland, Ohio.

GENTLEMEN: Under terms of my contract with your company dated August 3, 1927 I purchased a Raoul Walsh Production entitled "The Escape" with Janet Gaynor, Charles Farrell and Victor McLaglen, in the cast.

According to reviews on the picture you have substituted director and cast. This picture was purchased together with two other Walsh productions and was es-

pecially because of the fact that the stars of "What Price Glory" and "Seventh Heaven" were listed in the cast.

I therefore wish to notify you that I cannot accept this picture.

Very truly yours, Collins Theatre, Inc.

Copy to Cleveland Film Board of Trade, 2100 Payne Avenue, Cleveland, Ohio.

[fol. 1653] No. 2

Vita-Temple Theatre, Toledo, Ohio

Vitaphone, Movietone Presentations

J. S. O'Connell, Managing Director. Operated by Collins Theatre, Inc.

May 23, 1928.

Mrs. G. D. Moffett, Secretary Cleveland Film Board of Trade, 2100 Payne Avenue, Cleveland, Ohio.

Dear Madam: I am enclosing a copy of a letter which I this day mailed to The Fox Film Corp., at Cleveland regarding their picture entitled "Escape."

I also wrote Mr. Scott of The Fox Film Corp. Cleveland, regarding substitutions on "The Girl Down Stairs" and "Soul of Passion" which matter we discussed while Mr. Scott was in my office recently.

I am writing you as a matter of record as I understand this is the correct practice in matters of this nature.

Very truly yours, J. S. O'Connell, Collins Theatre, Inc.

The Ultimate in Cinema Entertainment.

[fol. 1654] No. 3

J. S. O'Connell, Managing Director. Operated by Collins Theatre, Inc.

Vita-Temple Theatre, Toledo, Ohio, Vitaphone Movietone Presentations

June 1, 1928.

Mr. Ward E. Scott, Fox Film Corp., Cleveland, Ohio.

Dear Mr. Scott: In reply to your letter of May 31st in which you state that I am certainly wrong in refusing the

picture "Escape" because you delivered what you sold me allow me to repeat what I have already written you regarding this matter.

I purchased "The Escape" as one of three Raoul Walsh productions with the leads of "What Price Glory" and "Seventh Heaven" in the cast. At no time was the story ever mentioned and until I looked at the work sheet recently I did not know who wrote the story. Nor did I care.

The fact that Walsh is a recognized director and was entrusted with your big special of last season, "Loves of Carmen", was my assurance that the story given to him to direct, would be of high standard of quality.

The fact that Armstrong wrote the play means nothing at the box office and I do not think that any exhibitor who purchased your product last year bought "The Escape" because of the author.

Very truly yours, Vita-Temple Theatre.

Copy to Mrs. G. E. Moffett, Cleveland Film Board of Trade, 2100 Payne Avenue, Cleveland, Ohio.

The Ultimate in Cinema Entertainment.

[fols. 1655 & 1656] Form E 742 2500 Sets 25 of 4 to pad 6-17-27-A. Made in U. S. A.

Branch Office Copy

William Fox Super-Specials

Season 1927-1928

(Standard Exhibition Contract)

Fox Film Corporation (a New York Corporation), William Fox, President

Executive Offices: West 55th Street, New York City

Issued at Cleveland Exchange. Contract No. —. Zone 2.

Agreement, made in quadruplicate this 3rd day of August, 1927, between Fox Film Corporation (hereinafter called "the Distributor"), party of the first part, and the

undersigned Exhibitor operating the theatre or theatres designated below:

Theatre	Exhibitor	Street address	City — State
Vita-Temple	Collins Theatres, Inc.	.....	Toledo, Ohio

(hereinafter called "the Exhibitor"), party of the second part.

Witnesseth: The parties hereto agree as follows:

Warranty as to Form

First. The Distributor warrants that there is contained herein all of the numbered Articles of the "Standard Exhibition Contract" filed with the Motion Picture Producers and Distributors of America, Inc., identified by the signature of its President on the 1st day of March, 1926. Article Sixth, Ninth-A, and all matters printed, written and/or stamped upon the schedule hereof are in addition thereto.

License

Second. The Distributor hereby grants to the Exhibitor, and the latter accepts, a license under the respective copyrights of the several photoplays designated and described in the Schedule herein, subject to the terms and conditions hereinafter stated (and those printed on the reverse side hereof which are made part of this contract) to exhibit (during the year commencing with the date fixed or determined as hereinafter provided for the exhibition in the above named theatre of the first photoplay deliverable hereunder) each of such photoplays at the said theatre only, for the number of successive days in the said schedule specified.

Such license shall be specifically for the exhibition of such photoplays at said theatre on the exhibition date or dates specified in said Schedule or determined as hereinafter provided and for no other purpose.

Time and Place of Exhibition

Third. The Exhibitor agrees to exhibit said photoplays but only at the theatre above specified on the said date or

dates and will not allow any positive print thereof to leave the Exhibitor's possession during the period specified for the exhibition thereof by the Exhibitor, nor exhibit or permit the exhibition of any such positive print at any other time or place than those herein specified or determined as herein provided.

Payment of Fixed Sums

Fourth. The Exhibitor agrees to pay for such license as to each of such photoplays the fixed sums herein specified at least three (3) days in advance of the date of shipment from the Distributor's Exchange or from the last previous Exhibitor of the positive print thereof.

Percentage Bookings

Fifth. If this contract calls for payment or any part thereof computed upon the Exhibitor's gross receipts the Exhibitor shall furnish to the Distributor daily a correct itemized statement of the gross receipts of said theatre for admission thereto upon the exhibition date or dates of each photoplay for which payment is so required to be made. Should the Distributor so require, such itemized statement shall be made upon forms furnished by the Distributor.

The Distributor shall have access during the period of exhibition of each such photoplay and for a period of sixty (60) days after the receipt by the Distributor of the final box office statement, for the purpose of inspections, to the box office and to all books and records relating to the Exhibitor's box office receipts during the period of exhibition of each such photoplay.

Payment or any part thereof computed upon the Exhibitor's box office receipts shall be made daily during the exhibition of the print of each photoplay for which payment is so required to be made.

Schedule

Production	Successive days run	Guaranteed license fee	Exhibit dates month	dates
1. The Joy Girl	7	555.	Nov.	19th
2. Paid to Love				
3. Hangman's House				
4. Luna Park				
5. Silk Hats	7	555.		
6. Blonde Panther				
7. The Escape	7	555.		
8. The Girl Downstairs	7	555.		
9. Black Gang (temp.)				
10. Soul of Passion	7	555.		

Additional Terms: In case any picture on this contract does not come up to the standard of attractions to be shown at the Vita-Temple Theatre, Toledo, it is understood and agreed between the Fox Film Corporation, the Rivoli Theatre Toledo management and the management of the Vita Temple Theatre, Toledo, that the latter will have the right to select any unplayed picture purchased by the Rivoli Theatre from the Fox releases for 1927-28.

The Distributor shall have the right to "road show" and or cause to be "road shown" at any time prior to the exhibition thereof hereunder such of the photoplays herein licensed (but not to exceed a total of four) as the Distributor may from time select; provided that each such photoplay so selected shall be "road shown" only in theatres to which an admission charge of not less than one dollar for the majority of the orchestra seats thereof shall be made during exhibitions thereof at evening performances, and provided the Exhibitor shall have the right to except and exclude from this contract each such photoplay but only if the Exhibitor shall give to the Distributor at its home office written notice to such effect within thirty days after the Distributor shall have mailed to the Exhibitor notice of the Distributor's intention to "road show" each photoplay selected to be "road shown". As to each photoplay so "road shown" the license herein granted and the "run" and/or protection if any specified herein shall be subject and subordinate in all respects to all such "road show" exhibitions

and the Exhibitor agrees not *not* to advertise or make public announcement that any such photoplay is to be exhibited hereunder until the Distributor shall testify the Exhibitor in writing that such photoplay is available for exhibition hereunder.

If the Exhibitor shall not have excepted and excluded any such photoplay as hereinabove provided each such photoplay shall not be deemed available for exhibition hereunder until after the completion of all "road show" exhibitions hereof in the United States and the period specified in Article Second hereof shall be deemed extended to and including the date or dates for the exhibition of each such photoplay hereunder which shall be determined pursuant to Article Eleventh hereof and the Distributor shall deliver and the Exhibitor shall exhibit each such photoplay upon the date or dates so determined.

If such date or dates shall occur after the expiration of one year from the date of the written notice above referred to then the exhibitor shall not be obligated to exhibit and the distributor shall not be obligated to make delivery of such pictures hereunder.

Sixth: The Exhibitor agrees to start the actual playing of the photoplays under this contract not later than —: to be played at the rate of not less than — photoplays per month, the entire contract to be completed and all pictures under this contract played and paid for by not later than —.

Additional Article

Exhibitor agrees to play the Super-Special Productions contracted for in the order in which they shall be released by the Distributor in the territory in which the above theatre is located. In the event, however, that the Distributor serves the Exhibitor the subject out of its release order, this shall not be regarded as a waiver of performance on the part of the Exhibitor of the obligation to take all subjects released by the Distributor under this contract, and in such case the Exhibitor shall play all subjects which are released prior and subsequent to the subject served to the Exhibitor out of its order.

The Exhibitor places the following advertising order for each of the pictures herein contracted for:

Advertising Order

	1 sheet	3 sheet	6 sheet	24 sheet	W. C.	11 x 14	22 x 28	Insert 14 x 36
Quantity	....	....	....	....	....	.....	.....	.....
Price	....	....	....	....	....	.....	.....	.....

Rainbow Lobby Amount per Picture $—

	Slides	Heralds	Cuts	Mats	Press Books	Music Cues	Stills 8 x 10	Remarks:
Quantity	....	....	....	....	....	.....	.....	.....
Price	....	....	....	....	....	.....	.....	.....

Payment on Account

Seventh: Payment, if any, made upon the execution hereof shall be deemed payment on account of the sums last payable hereunder.

Protection and Run

Eighth: During the life of this contract the Distributor agrees not to authorize or license the exhibition of any such photoplays in violation of the "run" or "protection" period, if any, in the schedule specified. Unless otherwise provided herein such "protection" period shall be computed from the first date of exhibition of each photoplay as fixed herein. 21 days protection from last date over the following towns: Rossford, Perrysburg, Maumee, Sylvania, Whitehouse, Delta, Swanton and Gibsonburg.

Representations

Ninth: No promises or representations have been made by either party to the other except as set forth herein.

Additional Article

Ninth-A: No salesman, agent or representative of the distributor is authorized to make any endorsements or insertions on the memorandum copy left with the exhibitor that are not likewise made on the copy forwarded to the Home Office. That it shall be the duty of the exhibitor immediately upon receipt of the executed copy from the distributor to compare the same with the memorandum copy left with him at the time application was made. If the distributor does not receive by Registered Mail at its Home Office, 850 Tenth Avenue, New York City, notice of any discrepancies between the executed copy delivered to the exhibitor and the memorandum copy left with the exhibitor at the time application was made within fourteen days after the exhibitor has received the executed copy from the distributor, it shall be deemed between the parties that the executed copy delivered to the exhibitor is in all respects in conformity with the memorandum copy, and the exhibitor shall be estopped from making any claim of any discrepancies with reference thereto.

In witness whereof, the parties hereto have duly executed these presents the day and year first above written.

Fox Film Corporation. By —— ——, Vice-President.

Collins Theatre, Inc. Exhibitor: —. By J. E. Connell, Mgr.

Salesman: C. J. Ward.

[fol. 1657] No. 4

Claim Statement

Board of Arbitration Copy

June 11, 1928.

Complainant: Fox Film Corporation.

Defendant: Mr. J. O'Connell, operating the Vita-Temple Theatre, Toledo, Ohio.

Amount of Claim: $555.00.

Reason for Claim: We herewith claim that Mr. J. O. Connell, operating the Vita-Temple Theatre, located at Toledo,

Ohio, has breached a contract dated the 3rd day of August, 1927, in failing to exhibit and pay for the following picture upon the date specified: The Escape, June 10, 1928, $555.00.

This is a date given us by this exhibitor.

That by reason thereof, we are entitled to recover from the said exhibitor, the sum of $555.00.

Contracts Attached: Super-special.

A. Date of Contracts: August 3, 1927.

B. Signed by: Collins Theatre, Inc., by J. O'Connell, Mgr.

C. Salesman: C. J. Ward.

Correspondence attached: ——.
Dated Submitted: ——.
Exhibitor Notified: ——.
Complaint Settled: ——.
Claim Filed: ——.
Date of Decision: ——.

Signature of Complainant: Fox Film Corporation.
W. E. Scott, Branch Manager.

[fol. 1658] No. 5

June 14th, 1928.

Mr. J. O'Connell, Vita-Temple Theatre, Toledo, Ohio

Dear Mr. O'Connell: We are attaching hereto the claim filed against you by the Fox Film Corporation as submitted to this office.

Unless settlement is made in the meantime, this claim will be presented to the Joint Board of Arbitration on Monday afternoon, June 25th, at 12:30 o'clock, in this office, at which time you will be given an opportunity to be fully heard.

Very truly yours, Cleveland Board of Arbitration,
Secretary.

RGS.
CC-Fox.

[fol. 1659] No. 6

J. S. O'Connell, Managing Director. Operated by Collins Theatre, Inc.

Vita-Temple Theatre, Toledo, Ohio

Vitaphone, Movietone Presentations

June 18th, 1928.

Mrs. G. D. Moffett, Secretary Cleveland Board of Arbitration, 2100 Payne Avenue, Cleveland, Ohio.

Dear Mrs. Moffett: I will certainly be glad to answer the claim of The Fox Film Corp. against us for payment of their picture "The Escape" which we refused to play; However I do not think that I can be in Cleveland next Monday, but will try.

If I cannot make it I will write you the latter part of the week and you can postpone the meeting until the following Monday.

Very truly your, J. S. O'Connell, Collins Theatre, Inc.

The ultimate in cinema entertainment.

[fol. 1660] No. 7

June 25, 1928.

Mr. J. O'Connell, Vita-Temple Theatre, Toledo, Ohio

Dear Mr. O'Connell: The Cleveland Board of Arbitration postponed today the hearing of the claim of the Fox Film Corporation against you.

Therefore, unless settlement is made in the meantime, this claim will be presented for final hearing on Monday afternoon, July 9th, at twelve-thirty o'clock in this office.

Very truly yours, Cleveland Board of Arbitration.

—— ——, Secretary.

RGS
CC-Fox

[fol. 1661] No. 8

June 29, 1928.

Mr. J. O'Connell, Vita-Temple Theatre, Toledo, Ohio

DEAR MR. O'CONNELL: The complaint of the Fox Film Corporation which was scheduled for first hearing last Monday, June 25th, was postponed for two weeks because of your inability to be present.

Inasmuch as you are not a member of the M. P. T. O. of Ohio and the exhibitor arbitrators appointed by the State Organization will not hear the cases of non-members, the Fox complaint must come before the Board of Arbitration which hears the cases of exhibitors who are not members of the Exhibitor Organizations. This Board meets every two weeks and having met last Monday, they will not meet until July 9th as you have been advised in our letter dated June 25th.

This letter is being sent to you because we understand it was your intention to come to Cleveland next Monday believing your case would then be presented for hearing.

We also understand that you will be away from Toledo during the month of July. Therefore, we suggest that you address the Board of Arbitration asking them for a postponement until the definite date when it will be possible for you to be present.

Very truly yours, Cleveland Board of Arbitration.
Acting Secretary.

RGS

[fol. 1662] No. 9

Vita-Temple Theatre, Toledo, Ohio

Vitaphone, Movietone Presentations

J. S. O'Connell, Managing Director. Operated by Collins Theatre, Inc.

July 7th, 1928.

Miss Ruth G. Simon, Acting Secretary Cleveland Board of Arbitration, 2100 Payne Ave., Cleveland, Ohio.

DEAR MISS SIMON: Replying to your letter of June 25th wish to advise that I am leaving for a vacation Wednesday and will be away the balance of this month.

Will you kindly have The Fox case postponed until the first week in August at which time it will be possible for me to attend.

Thanking you for this courtesy, I am

Very truly yours, J. S. O'Connell.

The ultimate in cinema entertainment.

[fol. 1663] No. 10

July 19, 1928.

Mr. J. S. O'Connell, Vita-Temple Theatre, Toledo, Ohio.

DEAR MR. O'CONNELL: In accordance with your letter of July 7th, the Fox Film Corporation has granted a further postponement of their case against you until August 6th.

Inasmuch as the Fox Exchange has been very kind in allowing so many postponements they request that you be present at this meeting on Monday afternoon, August 6th, at twelve-thirty o'clock in this office.

Very truly yours, Cleveland Board of Arbitration,
—— ——, Acting Secretary.

RGS:DO
CC—Fox

[fol. 1664] No. 11

August 2, 1928.

Mr. J. O'Connell, Vita-Temple Theatre, Toledo, Ohio

DEAR MR. O'CONNELL: As we advised you on July 19th, the claim of the Fox Film Corporation against you will be presented to the Board of Arbitration on August 6th, at twelve-thirty o'clock, in this office.

In a recent letter, you notified us that you would be able to be present the first week in August, and therefore we will expect you on that date.

Very truly yours, Cleveland Board of Arbitration.
—— ——, Acting Secretary.

RGS:DO.
CC—Fox.

[fol. 1665] No. 12

August 8, 1928.

Mr. J. O'Connell, Vita-Temple Theatre, Toledo, Ohio.

DEAR MR. O'CONNELL: Mr. Scott, of the Fox Film Corporation, has consented to present their case against you to the Board of Arbitration, on Monday afternoon, August 20, at 12:30 o'clock in this office.

Very truly yours, Cleveland Board of Arbitration.
—— ——, Acting Secretary.

RGS:DO.
CC—Fox.

[fol. 1666] No. 13

Fox Film Corporation

Head Office: West 55th Street, New York

Telephone: Columbus 3320. Cable Address: Foxfilm-New York

William Fox, President

Branches: All Principal Cities of the World

2219 Payne Avenue, Cleveland, Ohio

Aug. 16, 1928.

Film Board of Trade, 2100 Payne Avenue, Cleveland, O.

Re Vita-Temple, Toledo

GENTLEMEN: Please be certain that you have Mr. O'Connell of the Vita-Temple Theatre, Toledo, present on Monday, August 20th, at 12:30, to answer our claim which has been pending for some time.

Very truly yours, Fox Film Corporation. (Sgd.) W. E. Scott, W. E. Scott, Branch Manager.

WES:P.

[fol. 1667] No. 14

August 17, 1928.

Mr. J. O'Connell, Vita-Temple Theatre, Toledo, Ohio.

DEAR MR. O'CONNELL: This is to remind you that the Fox claim against you will be presented to the Board of Arbitration on Monday afternoon, August 20th, at 12:30 o'clock in this office.

R. G. Simon, Acting Secretary.

RGS:BF.

[fol. 1668] No. 15

August 22, 1928.

Fox Film Corporation, 2219 Payne Avenue, Cleveland, Ohio.

GENTLEMEN: This will confirm the instructions of the Board of Arbitration in the matter of your claim against Mr. J. O'Connell, Vita-Temple Theatre, Toledo, Ohio.

Mr. Ward is to appear personally before the Board on Monday, August 27th, at 12:30 o'clock. If Mr. Backmeyer is unable to appear in person, he is to make his statement in writing and have it notaried as to how this contract The Escape, was sold to Mr. O'Connell.

Therefore, the Board of Arbitration will hear this claim on Monday, August 27th, at 12:30 o'clock.

Very truly yours, Cleveland Board of Arbitration.

—— ——, Acting Secretary.

RGS.
CC—Mr. O'Connell.

[fol. 1669] No. 16

August 27, 1928.

The undersigned agrees to proceed with his hearing of his complaint against J. O'Connell, Vita-Temple Theatre, Toledo, Ohio, with four instead of six arbitrators

W. E. Scott, Fox Film Corp.

[fols. 1670 & 1671] No. 17

Western Union

Received at 2110 Payne Ave., Cleveland, Ohio. Cherry 1740, Line 169.

1145 9-BR Toledo Ohio 27 1025A. 1928 Aug 27 AM 10 42.

Miss Simons:

Film Board of Trade 2100 Payne Ave Missed early train will arrive your office one oclock

J. S. O'Connell.

[fol. 1672] No. 20

City of Cleveland,
State of Ohio,
County of Cuyahoga:

In the Matter of the Arbitration of Fox Film Corporation, Distributor, and Collins Theatre, Inc. J. O'Connell, Vita-Temple Th., Toledo, Ohio, Exhibitor.

We, the undersigned arbitrators, having been duly appointed to arbitrate the matters in controversy existing between the above named Distributor and Exhibitor as by the provisions of the contract between said Distributor and said Exhibitor provided (or by the conditions of their submission in writing executed by said Distributor and Exhibitor respectively and sealed with their respective seals and duly acknowledged) and after having taken the oath and after hearing the proofs and allegations of the said parties and due deliberation having been made we do hereby award, determine and order: that is to say:

The Cleveland Board of Arbitration finds that the Collins Theatre, Inc. J. O'Connell, Manager, Vita-Temple Theatre, Toledo, Ohio, shall pay to the Fox Film Corporation the sum of $555.00 for breach of contract dated August 3, 1927 in failing to exhibit and pay for the picture "The Escape" upon the date given by the exhibitor, week of June 10, 1928.

The above sum to be paid within ten days from the date of notification, that is, not later than September 7, 1928.

The Board sat two and two.

In witness whereof we have subscribed this award this 27th day of August, 1928.

Esther Goldberg (L.S.), R. S. Tillinghast (L.S.), W. S. Halbert (L.S.), —— —— (L.S.), —— —— (L.S.), —— —— (L.S.).

[fol 1673] No. 20

STATE OF OHIO,
County of Cuyahoga:

On this 27th day of August, 1928, before me, a Notary Public in and for said County and State, personally appeared Esther Goldberg, R. S. Tillinghast, W. S. Halbert, known to me to be the individuals described in and who executed the foregoing instrument, and they duly acknowledged to me that they executed the same.

G. D. Moffett, Notary Public. My commission expires Oct. 29, 1928. (Notarial Seal, Guyahoga County, Ohio.)

[fol. 1674] No. 18

August 30, 1928.

Collins Theatre, Inc., J. O. Connell, Vita-Temple Theatre, Toledo, Ohio.

GENTLEMEN: We attach hereto the award rendered by the Cleveland Board of Arbitration on Monday afternoon, August 27th, 1928, in the matter of the Fox Film Corporation against you.

Very truly yours, Cleveland Board of Arbitration.
—— ——, Acting Secretary.

RGS:SF.

[fol. 1675] No. 19

August 30, 1928.

Fox Film Corporation, 2219 Payne Ave., Cleveland, Ohio.

GENTLEMEN: We confirm herewith decision rendered by the Cleveland Board of Arbitration on August 27, 1928, in the matter of your claim against Collins Theatre Inc., J. O'Connell, Vita-Temple Theatre, Toledo, Ohio.

"The Cleveland Board of Arbitration finds that the Collins Theatre, Inc. J. O'Connell, Manager, Vita-Temple, Toledo, Ohio, shall pay to the Fox Film Corporation the sum of $555.00 for breach of contract dated August 3, 1927 in failing to exhibit and pay for the picture "The Escape" upon the date given by the exhibitor, week of June 10, 1928.

The above sum to be paid within ten days from the date of notification, that is, not later than September 7, 1928.

The Board sat two and two.

We are returning herewith your contract covering this claim.

Very truly yours, Cleveland Board of Arbitration.
—— ——, Acting Secretary.

RGS:B.
Encl.
CC-Fox.

[fol. 1676] No. 21

Vita-Temple Theatre, Toledo, Ohio

Vitaphone, Movietone Presentations

J. S. O'Connell, Managing Director. Operated by Collins Theatre, Inc.

Aug. 31st, 1928.

Miss Ruth G. Simon, Cleveland Board of Arbitration, 2100 Payne Ave., Cleveland, Ohio.

Dear Miss Simon: Replying to your letter of August 30th, relative to Fox Film Corp. against the Vita-Temple Theatre wish to reply that we will not comply with terms of the award granted by Esther Goldberg, R. S. Tillinghast and W. S. Halpert Monday afternoon August 27th, 1928, to the Fox Film Corp.

We charge that the persons awarding this verdict did not constitute a competent board of arbitration—we charge that all of the testimony offered in the first hearing was heard by six members and the award was made at the second hearing at which only four members were present—we charge that affidavits demanded by the chairman of the Board of Arbitration from Mr. Bachmeyer (in this instance

a sworn statement) were not furnished by the Fox Film Corp. representative—we charge that the exhibitor members of the Board were not qualified to render a decision regarding a first run situation as they were not familiar with the purchase of film by first run exhibitors in larger key cities—we charge that the award is not binding upon us.

We request that this letter be presented to the proper parties so that this case can be heard before a competent board or court under oath.

Very truly yours, Collins Theatre Inc., J. S. O'Connell, Managing Director.

JSO'C/M.

The ultimate in cinema entertainment.

[fols. 1677-1697] No. 26

Fox Film Corporation

Head Office: West 55th Street, New York

Telephone: Columbus 3320. Cable Address Foxfilm-New York

William Fox, President

Branches: All Principal Cities of the World

2219 Payne Avenue, Cleveland, Ohio

Oct. 13, 1928.

Film Board of Trade, 2100 Payne Ave., Cleveland, O.

Re Vita-Temple Theatre, Toledo, O.

GENTLEMEN: Kindly cancel our claim against the Vita-Temple Theatre, Toledo, in the amount of $555.00, covering the Escape.

This matter has been satisfactorily settled.

Very truly yours, Fox Film Corporation. (Sgd.) W. E. Scott, W. E. Scott, Branch Manager.

WES:P.

Form No 3147 C 2767

BRANCH OFFICE COPY - DUPLICATE SERIAL No. 1878

Film Booking Offices of America, Inc. #9

CHANGE OF CONTRACT - CANCELLATIONS

BRANCH Cleveland DATE ISSUED 6/4/27

THEATRE Park KEY No. W55

CITY Painesville STATE Ohio

DATE OF CONTRACT 3/31/27 CONTRACT No. B-393

1	2	3		4		5
PRODUCTION NUMBER	TITLE OF PICTURE	CHANGE FROM		CHANGE TO		CANCELLATION
		NO OF DAYS	AMOUNT	NO OF DAYS	AMOUNT	AMOUNT
7302	Collegiate					11.=
7303	Uncle Tom's Cabin					11.=
7304	Ain't Love Funny					11.=
7311	Skinny Limit					11.=
7313	California or Bust					11.=
7314	Is That Nice					11.=
7315	Lefty to Command					11.=
7316	Ladies Beware					11.=
						88.=

GIVE BELOW FULL DETAILED EXPLANATION OF CIRCUMSTANCES CAUSING: Change of Contract Cancellation

In consideration of new contract taken

APPROVED

JUN 8 1927

NOTE: WHEN CANCELLATION OR CHANGE AFFECTS SERIES CONTRACT INDICATE TITLE AND PRODUCTION NUMBERS OF INDIVIDUAL RELEASES. MAIL TO HOME OFFICE AT ONCE FOR APPROVAL

BRANCH MANAGER Lon Logan

HOME OFFICE APPROVAL Lee Marcus 6

GEN. SALES MGR.

*COUNTRY OF ORIGIN, U. S. A.

AUTHORIZED AGENT

1699

Contract No. B-393 Form 1018-Rev. 8.1924

Exchange Cleveland #8

Salesman L. Geiger (8)

City Painesville

Zone

LICENSE FOR F. B. O. PICTURES
(STANDARD EXHIBITION CONTRACT)

AGREEMENT, made in quadruplicate this 27st day of March 1927, between FILM BOOKING OFFICES OF AMERICA, Inc. a corporation (hereinafter called "the Distributor"), party of the first part, and The Park Amus. Co. an exhibitor operating the Park Theatre, No. ____ Street, City of Painesville State of Ohio (hereinafter called "the Exhibitor"), party of the second part,

Article Twenty-third hereof and the provisions in writing, stamped or printed in the Schedule, are in addition thereto.

WITNESSETH: The parties hereto agrees as follows:

Warranty as to form.

FIRST: The Distributor warrants that there is contained herein all of the numbered Articles of the "Standard Exhibition Contract" filed with the Motion Picture Producers and Distributors of America, Inc., identified by the signature of its President on the 1st day of March, 1926.

License.

SECOND: The Distributor hereby grants to the Exhibitor, and the latter accepts, a license under the respective copyrights of the several photoplays designated and described in the Schedule herein, subject to the terms and conditions hereinafter stated and those printed on the reverse side hereof which are made part of this contract to exhibit (during the year commencing with the date fixed or determined as hereinafter provided for the exhibition in the above named theatre of the first photoplay deliverable hereunder) each of such photoplays at the said theatre only, for the number of successive days in the said schedule specified.

Such license shall be specifically for the exhibition of such photoplays at said theatre on the exhibition date or dates specified in said Schedule or determined as hereinafter provided and for no other purpose.

Time and place of exhibition.

THIRD: The Exhibitor agrees to exhibit said photoplays but only at the theatre above specified on the said date or dates and will not allow any positive print thereof to leave the Exhibitor's possession during the period specified for the exhibition thereof by the Exhibitor, nor exhibit or permit the exhibition of any such positive print at any other time or place than those herein specified or determined as herein provided.

Payment of fixed sums.

FOURTH: The Exhibitor agrees to pay for such license as to each of such photoplays the fixed sums herein specified at least three (3) days in advance of the date of shipment from the Distributor's Exchange or from the last previous Exhibitor of the positive print thereof.

Percentage bookings.

FIFTH: If this contract calls for payment or any part thereof computed upon the Exhibitor's gross receipts the Exhibitor shall furnish to the Distributor daily a correct itemized statement of the gross receipts of said theatre for admission thereto upon the exhibition date or dates of each photoplay for which payment is so required to be made. Should the Distributor so require, such itemized statement shall be made upon forms furnished by the Distributor.

The Distributor shall have access during the period of exhibition of each such photoplay and for a period of sixty (60) days after the receipt by the Distributor of the final box office statement, for the purpose of inspection, to the box office and to all books and records relating to the Exhibitor's box office receipts during the period of exhibition of each such photoplay.

Payments or any part thereof computed upon the Exhibitor's box office receipts shall be made daily during the exhibition of the print of each photoplay for which payment is so required to be made.

SCHEDULE

PRODUCTION NUMBERS	TITLE OR NAME OF STAR, DIRECTOR OR AUTHOR, OR BRAND OF PHOTOPLAYS	SUCCESSIVE DAYS RUN	GUARANTEED LICENSE FEE	EXHIBITION DATES MONTH	EXHIBITION DATES DATES
	6 Viola Dana @ 11.00	1	$ 66.00		
	6 Leo Maloney @ 11.00	1	66.00		
	4 Alberta Vaughn @ 11.00	1	44.00		
	4 Ranger Dog @ 11.00	1	44.00		
	8 Bob Custer @ 11.00	1	88.00		
	8 Tom Tyler @ 11.00	1	88.00		
	~~Random~~				
	12 Bill Grinn Program @ 5.00	1	60.00		
	12 Wm Craven @ 5.00	1	60.00		
	26 Century Cats @ 1.50	1	39.00		
	26 Alice Cartoons @ 1.50		39.00		
	The Gorilla Hunt	2	35.00		
	12 Stern Standard Comedies @ 5.00	1	60.00		
	12 Western Standard Comedies @ 5.00	1	60.00		

Protection Period

Run 1st Run in Painesville

Protection to be none at end of 3 run Booking Days 1st 1927 Amended Booking Days 1st run on Sat Sunday Dec 1st 1927

2

3/30/5

AGREEMENT, made in quadruplicate this 27st day of March 1927 between FILM BOOKING OFFICES OF AMERICA, Inc. a corporation (hereinafter called "the Distributor"), party of the first part, and The Park Amus. Co. an exhibitor operating the Park Theatre, No. ____ Street, City of Painsville State of Ohio (hereinafter called "the Exhibitor"), party of the second part,

Article Twenty-third hereof and the provisions in writing, stamped or printed in the Schedule, are in addition thereto.

WITNESSETH: The parties hereto agrees as follows:

Warranty as to form.

FIRST: *The Distributor warrants that there is contained herein all of the numbered Articles of the "Standard Exhibition Contract" filed with the Motion Picture Producers and Distributors of America, Inc., identified by the signature of its President on the 1st day of March, 1926.*

License.

SECOND: The Distributor hereby grants to the Exhibitor, and the latter accepts, a license under the respective copyrights of the several photoplays designated and described in the Schedule herein, subject to the terms and conditions hereinafter stated and those printed on the reverse side hereof which are made part of this contract to exhibit (during the year commencing with the date fixed or determined as hereinafter provided for the exhibition in the above named theatre of the first photoplay deliverable hereunder) each of such photoplays at the said theatre only, for the number of successive days in the said schedule specified.

Such license shall be specifically for the exhibition of such photoplays at said theatre on the exhibition date or dates specified in said Schedule or determined as hereinafter provided and for no other purpose.

Time and place of exhibition.

THIRD: The Exhibitor agrees to exhibit said photoplays but only at the theatre above specified on the said date or dates and will not allow any positive print thereof to leave the Exhibitor's possession during the period specified for the exhibition thereof by the Exhibitor, nor exhibit or permit the exhibition of any such positive print at any other time or place than those herein specified or determined as herein provided.

Payment of fixed sums.

FOURTH: The Exhibitor agrees to pay for such license as to each of such photoplays the fixed sums herein specified at least three (3) days in advance of the date of shipment from the Distributor's Exchange or from the last previous Exhibitor of the positive print thereof.

Percentage bookings.

FIFTH: If this contract calls for payment or any part thereof computed upon the Exhibitor's gross receipts the Exhibitor shall furnish to the Distributor daily a correct itemized statement of the gross receipts of said theatre for admission thereto upon the exhibition date or dates of each photoplay for which payment is so required to be made. Should the Distributor so require, such itemized statement shall be made upon forms furnished by the Distributor.

The Distributor shall have access during the period of exhibition of each such photoplay and for a period of sixty (60) days after the receipt by the Distributor of the final box office statement, for the purpose of inspection, to the box office and to all books and records relating to the Exhibitor's box office receipts during the period of exhibition of each such photoplay.

Payments or any part thereof computed upon the Exhibitor's box office receipts shall be made daily during the exhibition of the print of each photoplay for which payment is so required to be made.

SCHEDULE

PRODUCTION NUMBERS	TITLE OR NAME OF STAR, DIRECTOR OR AUTHOR, OR BRAND OF PHOTOPLAYS	SUCCESSIVE DAYS RUN	GUARANTEED LICENSE FEE	EXHIBITION DATES MONTH	EXHIBITION DATES DATES
	6 Viola Dana @ 11.00	1	$ 66.00		
	6 Leo Maloney @ 11.00	1	66.00		
	4 Alberta Vaughn @ 11.00	1	44.00		
	4 Ranger Dog @ 11.00	1	44.00		
	8 Bob Custer @ 11.00	1	88.00		
	8 Tom Tyler @ 11.00	1	88.00		
	~~Harrison~~				
	12 Bill Irwin Prod. @ 5.00	1	60.00		
	12 Hall Cochran @ 5.00	1	60.00		
	26 Comedy Cats @ 1.50	1	39.00		
	26 Alice Comedies @ 1.50		39.00		
	The Gorilla Hunt	2	35.00		
	12 Standard Comedies @ 5.00	1	60.00		
	12 Westwood Comedies @ 5.00	1	60.00		

Form 088 D. 1297

LICENSE FOR F. B. O. PICTURES
(STANDARD EXHIBITION CONTRACT)

#10

Contract No. B 530

FBO Exchange Cleveland Salesman F. H. Kelleyay Zone

AGREEMENT, made in quadruplicate this 3 day of June 192 7 between FILM BOOKING OFFICES OF AMERICA, Inc. a corporation (hereinafter called "the Distributor"), party of the first part, and Park Amusement Co an exhibitor operating the Park Theatre, No. 0 Street, City of Painesville State of O (hereinafter called "the Exhibitor"), party of the second part,

WITNESSETH: The parties hereto agree as follows

FIRST: The Distributor warrants that there is contained herein all of the numbered Articles of the "Standard Exhibition Contract" filed with the Motion Pictures Producers and Distributors of America, Inc., identified by the signature of its President on the first day of March, 1926, Article Twenty third hereof and the provisions in writing stamped or printed in the Schedule, are in addition thereto. Warranty as to forms.

SECOND: The Distributor hereby grants to the Exhibitor, and the latter accepts, a license under the respective copyrights of the several photoplays designated and described in the Schedule herein, subject to the terms and conditions hereinafter stated and those printed on the reverse side hereof which are made part of this contract to exhibit (during the year commencing with the date fixed or determined as hereinafter provided for the exhibition in the above named theatre of the first photoplay thereafter each of such photoplays at the said theatre only, for the number of successive days in the said schedule specified. Licensee.

Such license shall be specifically for the exhibition of such photoplays at said theatre on the exhibition date or dates specified in said Schedule or determined as hereinafter provided and for no other purpose.

SCHEDULE

Production Numbers	Title or Name of Star, Director, or Author, or Brand of Photoplays	Successive Days Run	Guaranteed License Fee	EXHIBITION DATES Month	EXHIBITION DATES Dates
✓	Dangerous Curl	1-2-3	$ 50 -	+	
	Clancys Kosher Wedding	1-2	35 -		
	Shanghaied	1-2-3	35 -	+	
	Lovey Island	1-2	35 -		
	Careless	1-2-3	100 -		
	Great Mail Robbery	1-2	35 -		
	Lizzies Pans	1-2	35 -		
	Not For Publication	1-2	35 -		
	Wallflowers	1-2	35 -		
	Harbester	1-2-3-4	100 -		
	Judgement Hills	1-2	35 -		
	Should Sea Love	1-2	35 -		
	Chicago Kids Ma	1-2	35 -		
	Little Wooden Shoes	1-2	35 -		
	Little Yellow Horn	1-2	35 -		
	Jewels Trade Mark	1-2	35 -		
	Shannon Big Idea	1-2	35 -		
	Lands End Man	1-2	35 -		
	Hook & Ladder #9	1-2	25 -		
	In a Moment Perfect	1-2	25		
	Jake the Plumber	1-2	35 -	+	
	Boys Ready	1-2	25		
	Hay Seeing Hers	1-2	25		
	Black the Great	1-2	25		
	The Lowest	1-2	35 -		
	Lobby of Deadfall	1-2	25		
	A Clone in Hay	1-2	35 -		
	Beyond Lucky Lights	1-2	25		
	Old Man Luck	1-2	25	+	
	Red Rodeo Canada	1-2	25		
	6 Rangers	15 1	90		
	6 Fighters	15 1	90		
	7 Buzz Barton	12 1	87 50		
	7 Bob Steele	12 1	87 50		
	57 Comedy Cartoons	1	2[illegible] -		

PROTECTION PERIOD RUN

1 day after release of Feature Film

Sept 2-3, 1927 & one week used

AGREEMENT, made in quadruplicate this 2 day of March 192 1, between FILM BOOKING OFFICES OF AMERICA, Inc. a corporation (hereinafter called "the Distributor"), party of the first part, and Park Amusement Co an exhibitor operating the Park Theatre, No. 0 Street, City of Painesville State of (hereinafter called "the Exhibitor"), party of the second part,

WITNESSETH The parties hereto agree as follows

FIRST: The Distributor warrants that there is contained herein all of the numbered Articles of the "Standard Exhibition Contract" filed with the Motion Pictures Producers and Distributors of America, Inc., identified by the signature of its President on the first day of March, 1926, Article Twenty third hereof and the provisions in writing stamped or printed in the Schedule, are in addition thereto. Warranty as to forms.

SECOND: The Distributor hereby grants to the Exhibitor, and the latter accepts, a license under the respective copyrights of the several photoplays designated and described in the Schedule herein, subject to the terms and conditions hereinafter stated and those printed on the reverse side hereof which are made part of this contract to exhibit during the year commencing with the date fixed or determined as hereinafter provided for the exhibition in the above named theatre of the first photoplay deliverable hereunder each of such photoplays at the said theatre only, for the number of successive days in the said schedule specified. License.

Such license shall be specifically for the exhibition of such photoplays at said theatre on the exhibition date or dates specified in said Schedule or determined as hereinafter provided and for no other purpose.

SCHEDULE

Production Numbers	Title or Name of Star, Director, or Author, or Brand of Photoplays	Successive Days Run	Guaranteed License Fee	EXHIBITION DATES: Month	EXHIBITION DATES: Dates	PROTECTION PERIOD RUN
✓	Jerry from Jail	1-2-3	$ 30 -	+		1 or 2 runs instead of 1 during Sept 2-3, 1927 & one every week
	Clancys Kosher Wedding	1-2-3	35 -			
	Shanghaied	1-2-3	35 -	+		
	Lovey Joland	1-2-3	35 -			
	Excuses	1-2-3	100 -			
	Great Mail Robbery	1-2-3	35 -			
	Legionnaires Pass	1-2-3	35 -			
	Nell Fo Carburetor	1-2-3	35 -			
	Wallflowers	1-2-3	35 -			
	Harbor	1-2-3-4	100 -			
	Judgement Hills	1-2-3	35 -			
	Sweet Sea Love	1-2-3	35 -			
	Chicago 7th Ave	1-2-3	35 -			
	Little Wooden Horse	1-2-3	35 -			
	Little Yellow Slicker	1-2-3	35 -			
	Devils Trade Mark	1-2-3	35 -			
	Human Pay Eden	1-2-3	35 -			
	Cracks Last Wire	1-2-3	35 -			
	Hook & Ladder #9	1-2	35 -			
	In a Moment of Temptation	1-2	25			
	John the Plumber	1-2	35 -	+		
	Town Preacher	1-2	25			
	Hey Lumpy Hero	1-2	25			
	Mark the Great	1-2	25			
	The Lowrys	1-2	35 -			
	Lolly of Deadfall	1-2	25			
	A Flame in Sky	1-2	35 -			
	Beyond Lucky Lips	1-2	25			
	Skid Mans Land	1-2	25	+		
	Red Rider Canada	1-2	25			
	6 Rangers 15	1	90			
	6 Fighters 15	1	90			
	7 Buck Barton 12	1	87 50			
	7 Big Shots 12	1	87 50			
	52 Grants Cowboys 6	1	72 -			
	52 Mickey Mc Guire 6	1	72 -			
	12 Karnival 6	1	60 -			
	12 Standards 5	1	60 -			
	No News Coffee 26	1-2	65 -			
		TOTAL	1799 00			

6/18/27

THIRD No promises or representations have been made by either party to the other except as set forth herein. Representations.

IN WITNESS WHEREOF, the parties hereto have duly executed these presents the day and year first above written.

EXHIBITOR: Park Amusement Co FILM BOOKING OFFICES OF AMERICA, Inc.,

By H. H. Palmer Mgr By Lan Gilg

EXCHANGE COPY

1702-1703

[fol. 1698] FBO

F B O Pictures Corporation, Cleveland Exchange,
Film Exchange Building

June 9, 1927.

Park Amusement Co., Painesville, Ohio.

GENTLEMEN: Herein please find enclosed your approved copy of application for license for the Park Theatre, which was approved the 8th day of June, 1927, and bears Number B-550.

Yours very truly, F B O Pictures Corporation, ——
——, Branch Manager.

LG:G.
Master Showmen of the World.

(Here follow photostats of side folios 1699, 1700-1701 and 1702-1703)

[fol. 1704] F B O

F B O Pictures Corporation, Cleveland Exchange,
Film Exchange Bldg.

March 31, 1927.

Park Amusement Co., Painesville, O.

GENTLEMEN: Herein please find enclosed your approved copy of application for license for the Park Theatre, which was approved the 30th day of March, 1927, and bears Number B-393.

Yours very truly, F O B Pictures Corporation,
—— ——, Branch Manager.

AJM:SG
Master Showmen of the World.

[fol. 1705] #1

Board of Arbitration Copy

Claim Statement

2/10/28.

Complainant: F B O Pictures Corporation.

Defendant: Gabriel G. Saba, Park Theatre, Painesville, Ohio.
Amount of Claim: $6.50.
Reason for Claim: Returned N. G. Check.

Mr. Gabriel G. Saba on the 14th day of January, 1928 in payment of the rental of the following pictures, Old Tin Sides—$5.00, and Night Owl, $1.50, delivered pursuant to said contract, issued and delivered a check for the sum of $6.50 which was returned by the bank unpaid of which the following is a copy:

No. 971. Painesville, O., Jan. 14, 1928.

Pay to the order of F B O Six 50 100 Dollars. $6.50.
The Park Amusement Co., (Signed) Gabriel G. Saba.

Contracts attached: Yes.

A. Date of Contracts: Mar. 21, 1927.

B. Signed by H. T. Palmer.

C. Salesman: Geiger.

Correspondence Attached: ——.
Date Submitted: ——.
Exhibitor Notified: ——.
Complaint Settled: ——.
Claim Filed: ——.
Date of Decision: ——.

Signature of Complainant: F. B. O. Pictures Corporation. A. J. Mertz, Branch Manager.

[fol. 1706] =2

February 11, 1928.

Mr. G. Saba, Park Amusement Co., Park Theatre, Painesville, Ohio.

Dear Mr. Saba: We are attaching hereto complaints filed against you by the F B O Pictures Corporation.

Unless settlements are made in the meantime, the Joint Board of Arbitration will hear these claims on Monday afternoon, February 20th, at two o'clock, in this office. At that time you will be given an opptrtunity to be fully heard.

Very truly yours, Joint Board of Arbitration,
—— ——, Secretary.

RGS
Copy to F B O, Mr. Palmer, Mr. Erdmann.

[fol. 1707] Award (3)

#3

February 20, 1928.

Mr. G. Saba, Park Theatre, Painesville, Ohio.

Dear Mr. Saby: The Joint Board of Arbitration today postponed the following claims which were scheduled for first hearings: Universal Exchange, F B O Exchange.

Therefore, unless settlements are made in the meantime, these claims will be heard by the Joint Board of Arbitration at their next meeting on Monday afternoon, March 5th, at two o'clock, in this office.

Very truly Yours, The Joint Board of Arbitration,
—— ——, Secretary.

RGS.
Universal.
CC-F B O.

[fol. 1708] #9

Post Office Department, Official Business. Registered Article No. 723485. Insured Parcel.

Penalty for Private Use to avoid payment of Postage $300.

Postmark of Delivering Office: Painesville, Marh 12, 1.30 P. M., 1928, Ohio.

Return to the Joint Board of Arbitration. (Name of sender).

Street and Number, or Post Office Box: 2100 Payne Avenue, Cleveland Ohio.

Return Receipt

Received from the Postmaster the Registered or Insured Article, the original number of which appears on the face of this Card.

(Signature or name of addressee): —— ——.
(Signature of addresse's agent): F. H. Wright.
Date of delivery: —— —, 192—.
Form 3811 C5-6116.
Government Printing Office.

[fol. 1709] #4

March 5, 1928.

The undersigned agrees to proceed with the hearing of his complaint against The Park Amusement Company (Mr. Gabriel L. Saba, Secretary-Treasury), Park Theatre, Painesville, Ohio, with four instead of six arbitrators.

A. J. Mertz.

[fol 1710] =6

City of Cleveland,
State of Ohio,
County of Cuyahoga:

In the Matter of the Arbitration of F B O Pictures Corporation, Distributor, and The Park Amusement Company, Mr. Gabriel L. Saba, Secretary-Treasurer, Park Theatre, Painesville, Ohio

We, the undersigned arbitrators, having been duly appointed to arbitrate the matters in controversy existing between the above named Distributor and Exhibitor as by the provisions of the contract between said Distributor and said Exhibitor provided (or by the conditions of their submission in writing executed by said Distributor and Exhibitor respectively and sealed with their respective seals and duly acknowledged) and after having taken the oath and after hearing the proofs and allegations of the said parties and due deliberation having been made we do hereby award, determine and order; that is to say:

That the Park Amusement Company, Mr. Gabriel L. Saba, Secretary-Treasurer, Park Theatre, Painesville, Ohio, shall pay to F B O Pictures Corporation the sum of $6.50 for breach of contract dated March 21, 1927 in issuing and delivering a check =971 dated January 14, 1928 in the amount of $6.50 in payment of two pictures which were delivered under said contract Old Tin Sides, rental $5.00 and Night Owl, rental $1.50, which was returned by the bank unpaid.

The above sum to be paid within ten days from the date of notification, that is, not later than March 17, 1928.

Upon the failure of the exhibitor to fully comply with this award within ten days from the date of notification the sum of $300.00 is hereby fixed as the maximum amount

which each distributor a member of the Cleveland Film Board of Trade having a contract with the exhibitor may demand pursuant to the provisions of the Arbitration Clause contained therein as security for the performance [fol. 1711] by the exhibitor of each such contract.

(Board sitting two and two by written agreement.)

In witness whereof, we have subscribed this award this 5th day of March, 1928.

Wm. Weiss (L. S.), Mark Goldman (L. S.), —— —— (L. S.), C. W. Deibel (L. S.), W. A. Smith (L. S.), —— —— (L. S.).

STATE OF OHIO,
County of Cuyahoga:

On this 5th day of March, 1928, before me, a Notary Public in and for said County and State, personally appeared Wm. Weiss, Mark Goldman, C. W. Deibel and W. A. Smith known to me to be the individuals described in and who executed the foregoing instrument, and they duly acknowledged to me that they executed the same.

G. D. Moffett, Notary Public. My commission expires October 29, 1928. (Notary's Seal.)

[fol. 1712] =7

March 7, 1928.

F. B. O. Pictures Corporation, Film Exchange Building, Cleveland, Ohio.

GENTLEMEN: We confirm herewith the decision rendered by the Cleveland Joint Board of Arbitration on March 5th, 1928 in the matter of your claim against The Park Amusement Company, Mr. Gabriel L. Saba, Secretary-Treasurer, Park Theatre, Painesville, Ohio.

The Cleveland Joint Board of Arbitration finds "That The Park Amusement Company, Mr. Gabriel L. Saba, Secretary-Treasurer, Park Theatre, Painesville, Ohio shall pay to F B O Pictures Corporation the sum of $6.50 for breach of contract dated March 21, 1927 in issuing and delivering a check =971 dated January 14, 1928 in the amount of $6.50 in payment of two pictures which were delivered under said contract—Old Tin Sides, rental $5.00, and

Night Owl, rental $1.50, which was returned by the bank unpaid.

The above sum to be paid within ten days from the date of notification, that is, not later than March 17, 1928.

Upon the failure of the exhibitor to fully comply with this award within ten days from the date of notification, the sum of $300.00 is hereby fixed as the maximum amount which each distributor a member of the Cleveland Film Board of Trade having a contract with the exhibitor may demand pursuant to the provisions of the Arbitration Clause contained therein as security for the performance by the exhibitor of each such contract."

We return herewith your contract and file in connection with this claim.

Very truly yours, Joint Board of Arbitration,
Secretary.

Enclosures.

[fol. 1713] =8

March 7, 1928.

Mr. Gabriel G. Saba, Secretary-Treasurer, The Park Amusement Company, Park Theatre, Painesville, Ohio.

DEAR MR. SABA: We attach hereto the award rendered by the Cleveland Joint Board of Arbitration under date of March 5th, 1928 in the matter of the claim of F B O Pictures Corporation against you.

Very truly yours, Joint Board of Arbitration.
Secretary.

Enclosure.
CC-F B O.

[fol. 1714] =10

F B O

Film Booking Offices of America, Inc., Cleveland Exchange, Film Exchange Building

March 14, 1928.

Mrs. G. D. Moffett, Secretary The Film Board of Trade, Cleveland, Ohio.

DEAR MRS. MOFFETTS This is to advise that Mr. G. L. Saba of the Park Theatre, Painesville, Ohio, has complied

with the award of the Joint Board of Arbitration rendered on March 5th, 1928, which claim was in the amount of $6.50.

Sincerely yours, F. B. O. Pictures Corporation.
M. Levin, Asst. Branch Manager.

ML:G.
Entered.

[fols. 1715-1728] GOVERNMENT EXHIBIT 24

Montana Film Board of Trade Arbitration Case

[fol. 1729] AA-3

Associated First National Pictures of the N. W., Inc., Butte

Inter-Office Correspondence

To: Salt Lake Office.
Date: 2/18-25.
Attention of Mr. W. F. Gordon.
Subject: ——.

DEAR BILLY: The attached letter with invoice was received from the Lake Theatre, Baker. Wired him per attached copy.

Lake is one of the star date changers in this territory. As a matter of fact, he, Judith Theatre, Lewistown and one or two others occupy all of the time and attention of one booker. We received here some rumor of Lake bicycling film into Ismay and Ekalaka. Johnny made a trip in the town recently for the purpose of investigating this rumor but was unable to trade the proposition because of not being able to get into Ekalaka on account of wash out roads. He did find however that the "Sea Hawk" had played Ekalaka. Unquestionable the "Sea Hawk" and "Abraham Lincoln" played either Ismay or Ekalaka. One or two other Salesmen are investigating this town at the present time and we hope to have some concrete evidence shortly.

Note that Lake cancelled "Cytherea" which was booked for February 15-16th and replaced it with "As Man Desires" giving as the reason that he wanted an action picture. By referring to the sales sheet or cut off on the

Lake Theatre, Baker you will find innuemarble action pictures that he has under contract which are unplayed and which have been cancelled from time to time.

Our Board of Trade ruling at the present time is specific on the point of changing dates and in order for us to properly enforce this ruling throughout the Montana territory it is necessary to absolutely refuse changing dates unless the request is accompanied by a check. Am calling this to your attention with the idea of lessening the booking [fol. 1730] work in your office,

Yours very truly, W. M. Hughart.

WMH:JS.

P. S.: Mr. Lake is now on the Board of Trade for violation of contract and we are not to approach or sell him any new pictures until the fulfillment of his present contract with another Company. This is a Board of Trade ruling.

[fol. 1731] JJ-5

Montana Film Board of Trade

J. M. Linn, President. Wm. Hughart, Vice-Pres. and Treas. Harry Meyer, General Counsel

Rooms 130-131 Pennsylvania Bldg., Butte, Montana

Phone: 1140

Received Sep. 12, 1925
Manager: ——.
Booker: ——.
Cashier: ——.
Stenographer: ——.
Shipping Dept.: ——.
Poster Dept.: ——.
Inspection Dept.: ——.
Answered by ——.

Sept. 10, 1925.

Members of the Montana Film Board.
Important—Read Carefully.

District Managers:

Gentelemen: The new theatrical season is now starting and no doubt from time to time many complaints will ap-

pear, not only for the Board of Trade, but filed before the Board of Arbitration. It is therefore necessary and I am advising you, that the following rules and regulations, which should be for the benefit of everyone, be carefully observed without fail, the reason for this being that under the instructions of the Board a violation of these rules will call for the member making an explanation before the Board prior to the matter being referred to New York.

First: When a complaint is filed the members are notified and act accordingly.

Second: After an award has been made the members are required to send deposit letters immediately to Secretary with a time limit of seven days.

Third: In case a deposit is made within the time the Secretary must be immediately notified.

Fourth: Only the old contracts then existing are to be played; no new contracts taken until all old contracts are satisfactorily taken care of.

Fifth: In case of settlement the Secretary must be immediately notified.

Sixth: In making settlements new contracts should not be taken into consideration or an attempt made to shut out any other member, or take advantage of any other member-s contracts or dates.

The above rules will be enforced by the Board subject, however, to any change the Board should desire to make. It is expected that everyone will observe these rules and regulations.

[fol. 1732] During the last year we were very fortunate in having full cooperation with the exception of two cases which were immediately corrected, by all members and we hope that during this year the Board and its officers will give full cooperation and complete satisfaction.

Any suggestions for the coming year may be addressed to the Secretary and same will be taken before the Board at its next meeting.

Yours very truly, Montana Film Board of Trade.
Harry Meyer, Harry Meyer, Sec'y.

[fol. 1733] JJ-6

Members and Branch Managers of Following Exchanges: Associated First National, United Artists Corporation, Educational Film Exchange of Seattle, Inc., Fox Film Corporation, Film Booking Offices, Producers Distributing Corp., Metro-Goldwyn Corporation, Pathe Exchange, Universal Film Exchange, Inc., Vitagraph Incorporated.

Montana Film Board of Trade

W. J. Heineman, President. F. J. Murphy, Vice-President. Harry Meyer, Secretary-Treasurer. —— ——, General Counsel. Elsa Martin, Executive Secretary

Butte, Montana, January 5, 1926.

To all members.

Gentlemen: Inclosed please find the Rules and Regulations of the Montana Film Board for 1926. Will you be kind enough to study these carefully so that they may be known to you and understood by you and in the future in seeing that they are carried out, we will have no occasion to call upon you for a violation of any of them. I would appreciate an acknowledgement from you stating that you have read and understand these rules and regulations. You will also take notice as follows: From the time a notice is received of the filing of a complaint, until notice of the settlement of the award or the case, the members are not to enter into any new contracts and after receiving notice of an award deposit letters are to be sent in immediately and acknowledgment by you of the letter giving notice is to be made.

You will further take notice that when a deposit is required such deposit is to be demanded of the exhibitor for each separate existing contract held by the member. For example: If the deposit fixed by the Board is $100.00 and you are holding one, two or three contracts your demand for security must be $100.00 upon each contract which you hold, or one, two or three hundred dollars and not the amount of deposit fixed by the Board for all of the contracts. You will please acknowledge receipt of this portion of my letter also, and your understanding of the same.

The claim of Metro-Goldwyn Corp. vs. L. A. Miller, Sweet Grass, Montana, has been settled.

The following claims are unsettled:

Producers & Distributors vs. Freeman, Great Falls, Mont., Vitagraph vs. L. J. Dutchak, Sand Coulee, Montana, and United Artists Corp. vs. G. R. Smith, Glacier Park and Chester, Mont.

[fols. 1734-1753] Yours truly, Montana Film Board of Trade. Harry Meyer, Sec'y. Harry Meyer.

[fol. 1754] Exhibit AA 32

Montana Film Board of Trade

W. M. Hugart, President. C. R. Wade, Vice-President. Harry Meyer, General Counsel. Elsa Martin, Executive Secretary.

Butte, Montana, July 16, 1926.

Mr. Wm. Gordon, First National Pictures, Inc., 60 Exchange Place, Salt Lake City, Utah.

Dear Sir: Replying to your letter of July thirteenth with reference to resolution adopted by the Montana Board preventing an exchange representative from calling or arranging new business with an exhibitor before the Board makes an award, will say that this was adopted over three years ago and has been in full force and effect since that time without objections until the Rialto Theatre claim was presented. This was settled. The resolution is as follows:

"Be it resolved that after receiving notice of the filing of the claim before the Board of Arbitration no member or salesman shall call upon an exhibitor until after the claim is settled or the decision of the Board complied with."

Replying to your letter of the thirteenth concerning Max Fregger, I have received no word from Mr. Fregger or of the filing of a complaint by him. The matter was merely submitted to me for an opinion. If the complaint is filed I shall notify you the date set for hearing.

Either party has a right to challenge two members by written notice given one week previous to the hearing. In case of change of personnel at the time, I agree with you, you have the right to challenge at the time the exact per-

sonnel of the Board or any member not on the regular [fols. 1755-1759] Board. This is the action that we took at the last meeting and I hope to have the Board of Arbitration adopt this ruling at the next Board meeting.

I do not know if you were present at the Board meeting that objected to calling in contracts, but if you were I would appreciate knowing your position in the matter. In looking over the record I notice that you are one of the Members that Mr. Lane referred to who had not sent in copies of contracts but sent in list of pictures and dates. Mr. Fish, who objected to this ruling, did not do this and this ruling works out to the advantage of all concerned in taking in the matter of checking up all pictures under the regulations of the Arbitration Board which have been sold and are under existing contracts.

I would appreciate your view in this matter, and if possible would like to have you take the matter up with Mr. Lane and notify me what Butte Members were present at this meeting as I believe this is as good a time as any to raise the question whether Montana shall be judge of its own rules and regulations or whether Salt Lake judge and approve them before they become final.

With kind regards, I am

Yours very truly, Montana Film Board of Trade.
Harry Meyer, Secretary.

HM*R.

[fol. 1760] Exhibit EE 469

July 28, 1926.

Mr. Gabriel L. Hess, 469 Fifth Ave., New York, N. Y.

Dear Mr. Hess: This will acknowledge receipt of your letter of July 23, concerning non-solicitation of accounts and rule as to sending in contracts.

The members have been instructed of the recission advised by you.

The first rule you speak of in your letter with refer- to soliciting or contracting with the exhibitor before the Board of Arbitration was an agreement I inherited when I became a member of the Board and was followed by the members without objection until recently when the matter

was taken up with New York without even suggesting that it be annulled.

The second rule you speak of has been part of the rules of the board for the past three years and no one ever objected to following it, I might say I state the reasons for this rule to Mr. Pettijohn in a recent letter and in addition to those reasons my attention has been called to the additional fact that at one time the members would not send in deposit letters after an award was made but would hold service and contracts until the controversy was settled in order not to send deposit letters, they felt that the sending of deposit letters would cause the exhibitor to feel biased toward them and would interfere with future business, which they desired to avoid and in order to prevent such a situation the rule was passed so that at the time of the filing of the complaint the board would know in the event an award was made against an exhibitor who to expect deposit letters from and who had contracts with him and how many.

Mr. Hess the board had this rule up for consideration before and felt it was a good rule and without injury to anyone and was acting as a sort of check on the members in case they were inclined to be unfair and not cooperate.

If you can possibly do so Mr. Hess would you not reconsider the instructions given with reference to this rule and allow it to remain in force modifying it if necessary so that this check could be kept upon the members.

[fol. 1761] The only objection that has even been offered to this rule is the fact that the prices were included, could it not be modified so as to send in contracts and eliminate the prices or notify the board of how many contracts the members has with the exhibitor named and a list of pictures contracted for.

I am sure Mr. Hess that you can formulate a rule that will do this or have the same effect so that members who are inclined not to cooperate will be compelled to do so and also satisfy the Montana members who have worked under this rule for so long.

To me it of course, means that this will relieve some of the files I am keeping and somewhat at least, lessen my work, however for the sake of keeping all members co-

operating and in line it might be of some advantage for a short time at least.

I am enclosing copies of our rules and regulations and beg to advise you that these were sent to all members last January and not once was an objection made until this last month.

These rules are not new and therefore the reason that they had not been sent to New York for approval, in the future however any new rules that have not been sent out by New York that are presented to the board shall be submitted to you for approval before they become effective.

I am submitting some new rules, which were suggested, for your approval or rejection before being adopted by the board.

In explanation of the rule requiring the member to exhibit check received from exhibitor after an award and also the Secretary seeing the deposit made, I will say that this rule was adopted because in times past prior to its adoption members would report the receipt of the check and not be in possession of it; making the report merely for the purpose of serving the exhibitor and keeping his good will; the reason for seeing the deposit made was that prior to its adoption members would receive deposit check and would immediately return them to the exhibitor, if these rules do not meet with your approval will you not be kind enough to suggest some way in which this abuse when it takes place can be corrected.

May I hope that this controversy may be settled at this time so that I may advise all members and all disputes with reference to the same will be adjusted by the approval or rejection of your office of the rules.

With kindest personal regards, I am,

Very truly yours,

[fol. 1762] P. S.—Speaking from my experience and observation I would say that no doubt you realize, the same as I, that in the battle that is being fought by the representatives of the different companies that certain rules and regulations, in order to overcome practices which are not beneficial to the members and which avoid cooperation, should be passed and enforced if possible.

[fol. 1763] Exhibit EE. 524

August 11, 1926.

Mr. L. J. McGinley, Famous Players-Lasky Corp., 133 East 2nd South, Salt Lake City, Utah.

DEAR MAC: I am writing you at the request of Mr. Murphy concerning the Kalispell situation. The following will explain the transaction in full.

I received a letter on the 23rd of July, 1926, and immediately upon receiving this letter I realized that the instructions contained therein pertained to the Kalispell situation. The portion of the letter which I refer to is as follows:

"I am advised that your Film Board of Trade has a Rule which provides in effect that when a complaint is filed before the Board of Arbitration by a distributor against an exhibitor the remaining members of the Board of Trade are not permitted to solicit or contract with the exhibitor against whom such complaint is made until the controversy is finally determined and until the award is made against the exhibitor has been complied with.

If such rule is in effect it must be forthwith rescinded. The members of your Board of Trade are without authority to adopt such a rule and it is in violation of law."

I studied this matter over before doing anything with Kalispell, and in the meantime Carl Anderson came into the City of Butte and informed me that their firm had made $150,000.00 in oil, and I immediately took up the bicycling situation with him. He admitted that they had used the different companies' pictures at Sommers and Big Forks; that he had been paid for them and that he had a list of these pictures in his books and also the prices that he received for the same. He informed he was willing to pay for these pictures, 25% on the gross, and upon his return to Kalispell he would send me a list of such pictures and a check for each Company. I have received neither the list or the checks. I realized that these people had money with which to carry on a law suit, and I also realized from the above portion of Mr. Hess's letter that there might be a serious proposition of whether or not it was

in restraint of trade for which the companies could be held responsible in damages and while we were protected in [fol. 1764] the fact that his theatres were open and running, at the same time realized the situation in the Omaha case and in the recent case in Cleveland, in which the companies were all made defendants, I did not feel that this situation at Kalispell with reference to not soliciting or selling should remain in effect.

My opinion was that it was dangerous and might be costly and while I felt that the success of the law suit would mean nothing, I did not believe we should be placed in a position where they would have ground for a law suit. I thereupon sent wires to you, North West and all companies concerned. In doing this I felt that I was taking a position which was recently confirmed and approved of in a letter of August 5th, written by Mr. Hess of New York, in which I asked the following question:

"That in all cases where, in the opinion of the Board, an exhibitor has been guilty of bicycling, the members shall not visit the town or city for the purpose of obtaining contracts for the exhibition of pictures, but said members shall have the privilege of entering into contracts upon the exhibitor writing to any member or wiring members for pictures."

I believe, under these circumstances, appreciating the interest that I had in the company and the clear record we have had up to date as far as law suits and legal entanglements are concerned, that you will agree with me I acted properly.

Another thing before closing, in my conversation with Mr. Carl Anderson he informed me that he had been told that the members of the Board of Trade were not soliciting him because of bicycling, and that the day following V. Stewart, salesman for First National, visited him and he gave him this information. Stewart then wired Mr. Gordon, of First National, Salt Lake, who O. K'd. his right to solicit, sell and take contracts, which Mr. Stewart did. He further informed me that he signed the contracts with First National at that time, which contracts were submitted to New York and approved and the approval of these contracts wired to him a short time after Mr. Stewart's visit,

but up to the time he was in Butte, about July 26th, the approved copies of these contracts had not been received.

Mr. Gordon took up the matter of solicitation with his general sales manager, who no doubt took it up with the Home Office and prompted the letter from Mr. Hess.

[fol. 1765] The new rules and regulations, approved by New York, will be mailed you within the next couple of days.

I have gone into this matter somewhat at length in order that you may have a full understanding of my position and can assure you before closing that nothing but the interest of all companies and the possibility of avoiding a law suit, together with the advice from New York, which is confirmed by Mr. Hess, prompted my clearing Kalispell.

Insofar as riders to the contracts are concerned. It is my opinion, no one outside of the Home Office has authority to attach these riders. New York wired me to the following effect:

"Proceed as originally contemplated Have individual companies bring action and not Film Board. Dated August 5th."

With kindest personal regards, I am
Yours very truly, Montana Film Board of Trade,
Harry Meyer, Sec'y.

[fol. 1766] Exhibit EE, 471

August 11, 1926.

Mr. Gabriel L. Hess, 469 Fifth Avenue, New York City, N. Y.

Dear Mr. Hess: Inclosed please find copy of revised Rules and Regulations as per your letter of August 5th, also copy of Resolutions.

I am also inclosing copy of information in Kalispell case, which was filed today and form of affidavit signed by the different companies, with the exception of Famous Players, which were presented to the United States District Attorney. I have also submitted copies of contracts upon the different pictures involved in this proceeding, and I am sending for the originals which are to be filed with the United States Attorney for use upon the trial. I have also

given the United States Attorney certified copies of letters copy right and originals received which will be introduced in evidence at the trial.

The United States attorney and I have carefully gone over the law in this proceeding and are fully satisfied that, under the statute and the authorities, that a violation has been committed.

Mr. Anderson, of Kalispell, has up to date signed new contracts with F. B. O. of Seattle and Fox of Seattle, and Metro of Salt Lake. I am reliably informed that the salesmen of each of these companies, approved by their branch managers, have either signed a separate agreement or attached a rider to each contract and in consideration of the new contract they release and discharge Anderson & McDaniels from all charges or claims for past bicycling. This Famous Players refused to do, and consequently were not given a new contract. First National also has a contract with them without a rider or agreement. They have solicited pictures from Universal and have asked them to sign a rider.

I was in hopes, when I wired you upon the matter of settlement, that Anderson would keep his word and would pay for all pictures bicycled, a list of which he informs me he has in his possession. He also informed me that he had been bicycling for more than three years, and that he was willing to pay 25% on the gross, or some sum agreeable to the different companies. Under the above rider or [fol. 1767] agreement you can readily see that the companies will not realize anything on the bicycling of these pictures and I expect that if the companies obtain the information as to what pictures were bicycled that claims will be presented to the Board of Arbitration and suit started.

I also have an affidavit of Mr. Pierce who bought the pictures which is in the possession of the United States Attorney, stating the date upon which he purchased the pictures from Anderson and the price that he paid for them. I am informed that Mr. Anderson desires to run some of these pictures at the towns where they were formerly bicycled, but has not signed a separate contract for them, and intends to notify each company a week or two weeks in advance when he will run the pictures at these towns, at

which time he expects the companies to send him a contract for the picture for that particular town, the price agreed upon being $5.00.

Mr. Anderson's defense to the charge, as he stated to me, is that the different companies, whose pictures he ran at Big Forks and Sommers, the towns involved, orally consented to the running of these pictures and had knowledge of the same and it was a standing joke during the three years past.

After the reading of your letter of July 23rd, on the soliciting and your recommendation with reference to the rule presented in the Rules & Regulations of the Montana Film Board, these, of course, will be carried out. I am informed by some of the members, however, as well as non-resident members that it has been the practice in the past where an exhibitor had an award against him and also where an exhibitor was bicycling film, that they entered into a gentlemen's agreement not to solicit this particular account and that this has been the practice for a great many years. I submit this view to you because of the rule suggested in my recent letter, allowing the exhibitor the privilege of writing in and contracting for pictures in the hopes that it might be permissible and avoid coming within restraint of trade law.

I have submitted the above thought to you so that if this were true a circular letter of the different Boards might prevent future controversy.

With kindest personal regards, I am

Yours very truly, Montana Film Board of Trade,
Harry Meyer, Sec'y.

[fol. 1768] Exhibit EE. 472

August 17, 1926.

Film Board of Trade

469 Fifth Avenue, New York

Charles C. Pettijohn, General Counsel. Gabriel L. Hess, General Attorney

Mr. Harry Meyer, Secretary Montana Film Board of Trade, Butte, Montana.

Dear Mr. Meyer: This is to acknowledge receipt of your letter of August 11, 1926, the copy of the revised rules and

regulations, the copy of the resolutions, the copy of the information in the Kalispell case and the form of affidavit signed by the several companies, all enclosed therewith.

If, as you say, you have been informed by some of your members that it has been the practice in the past in the case of an exhibitor against whom an award has been made and also in the case of an exhibitor who has "bicycled" pictures that the branch managers enter into a so-called "gentlemen's agreement" not to solicit the business of such exhibitors, such practice is in violation of law and its continuance must forthwith cease.

I seriously doubt the authenticity of the information given you because if such practice had been indulged in I believe knowledge of it would have come to me or this office.

Very truly yours, Gabriel L. Hess, Gabriel L. Hess, General Attorney.

[fol. 1769] Exhibit EE 346

CC. to Mr. Harry Meyer, Sec'y Montana Film Board of Trade, Butte, Montana.

August 21, 1928.

Mr. A. E. Ford, Idle Hour Theatre, Fort Benton, Montana.

My Dear Mr. Ford: Replying to your favor under date of July 9th, and which been waiting for the writer's return to the city before being answered, beg to advise that we have been notified by the Montana Film Board of Trade that there are two awards standing against the Idle Hour Theatre at Fort Benton.

There is to be a meeting of the Film Board of Trade of Montana, also the Board of Arbitration, on Sept. 2nd and 3rd, and the writer would suggest if possible your attendance at this meeting and endeavor to straighten out the matter of the said complaints with the Board.

Referring to the contracts recently solicited and taken by our salesman, Mr. Cohn, we beg to advise that we cannot consider them under the circumstances, and as soon as your troubles are straightened out with the Film Board of Trade

of Montana, we will have our representative call and see you again.

With best wishes for your success, we beg to remain

Very truly yours, United Artists Corporation. ——

——, Sales Manager.

FG: IH.

[fol. 1770] Exhibit EE 354

Warner Bros. Pictures, Branch Office

Vitagraph, Inc., 210 East 1st Street, South Salt Lake City, Utah

September 5, 1928.

Mr. Harry Meyer, Secretary Montana Film Board of Trade Butte, Montana.

Dear Mr. Meyer: Will you kindly advise us if all awards against the Idle Hour Theatre at Fort Benton have been complied with and if this exhibitor is open for service.

Very truly yours, Vitagraph Inc. D. Maycock, Branch Booker.

DM/V1.

Na.

Montana Film Board of Trade. Received Sep. 7, 1928, per —— ——.

Warner Winners—26 for '27-'28.

[fol. 1771] Exhibit EE 355

September 7, 1928.

Mr. D. Maycock, Warner Bros., Inc., 210 East 1st South, Salt Lake City, Utah.

Dear Mr. Maycock: Replying to your letter of September 5th beg to state that the awards against the Idle Hour Theatre, Fort Benton, Montana, have not been complied with and this exhibitor is still off-service.

Yours very truly, Montana Film Board of Trade. Harry Meyer, Sec'y.

[fols. 1772-1786] Exhibit GG 55

Mr. Harry Meyers, Montana Film Board of Trade, 130 Pennsylvania Bldg., Butte, Montana.

Dear Mr. Meyers: Acknowledging your letter of the 28th, we have searched our files and do not find the yellow sheet dated November 27th showing a credit rating on Lucille Smith of Glacier Park.

Our contracts were signed Mrs. C. R. Smith by G. R. Smith, which would plainly indicate that there has been an attempt to show a transfer.

We are notifying Mrs. G. R. Smith that her failure to comply with the Board of Arbitration award in favor of Famous Players necessitates our asking for a deposit in the amount of $100.00, before we can consider the application for contract which she signed with Mr. Trewhela. I trust that our action in this respect is satisfactory. If not, pleaes advise.

Cordially yours, Fox Film Corporation. H. Bradley Fish, Branch Manager.

HBF: ZP.

[fols. 1787-1809] EE 268

Important Bulletin. Read Carefully

405. W. J. W.

Montana Film Board of Trade

Harry Meyer, Secretary

Notice

Butte, Montana, February 10, 1928.

The following is a list of accounts on which service has been suspended by reason of arbitration awards.

Old Accounts:

United Artists vs. G. R. Smith, Glacier Park, Montana, $100.00.

Metro vs. Glacier Theatre, Chester, Montana, $250.00.

United Artists vs. W. E. Brassey, Grand, Grass Range, $100.00.

Fox vs. J. E. Davis, Rose Theatre, Judith Gap, Montana, $100.00.

United Artists vs. C. C. Sills & W. J. Heinecke, Judith Theatre.

Lewistown, Montana, United Artists fixed deposit.

Famous Players vs. G. R. Smith, Glacier Park, Montana, $100.00.

Recent Awards:

Metro vs. M. E. Cenis, Happy Hour Theatre, Bear Creek, $100.00.

Metro vs. B. M. Brassey, Grand, Grass Range, Montana, $100.00.

Universal vs. George Gou, American Legion Theatre, Chester, $100.00.

Universal vs. Neil Stuart, Stuart Theatre, Moore, Montana, $100.00.

North West Film Board of Arbitration:

Greater Features vs. Murray S. Dolliver, Strand Theatre, Laurel, Montana, $100.00.

Educational vs. Murray S. Dolliver, Strand Theatre, Laurel, Montana, $100.00.

Kindly give a list of these accounts off service to your salesmen and acknowledge receipt.

Yours very truly, Montana Film Board of Arb.
Harry Meyer, Sec'y.

[fols. 1810 & 1811] GOVERNMENT EXHIBIT 25

Memphis-Little Rock Film Board Arbitration

[fol. 1812] Exhibit #66

Minutes Regular Meeting Memphis-Little Rock Film Board of Trade Held in Memphis November 6th, 1926

* * * * * * *

Under the head of new business the following resolution was unanimously adopted; that effective of this date no contracts will be accepted by any members of this Board carrying any inserted cancellation clause.

* * * * * * *

[fol. 1813] Exhibit =67

Minutes of Meeting of the Memphis-Little Rock Film Board of Trade April 4th, 1927, Little Rock

* * * * * * *

A motion was made by Sol Davis, seconded by D. P. Rathbone, that:

"Once a claim is filed by a member against an exhibitor for bicycling, the claim may not be withdrawn without first obtaining the approval of the Copyright Protective Bureau; and awards made on bicycling claims may not be settled or adjusted without first obtaining a like consent."

* * * * * * *

[fol. 1814] Ex. 277

Copy

Paramount Famous Lasky

September 7, 1927.

Memphis-Little Rock Film Board of Trade, Memphis, Tennessee.

GENTLEMEN: I am in receipt of several letters from Guy Henderson, of Mulberry, Arkansas, advising that he would like to get together on some kind of proposition which would enable him to reopen his theatre legitimately and run good pictures.

I have taken this matter up with my Home Office and they have told me that it would be satisfactory for me to make a settlement according to my own judgment, and I would like to ask you to settle this matter any way you see fit, or if you have any suggestions to make, would be glad to have you offer them.

I have despaired of receiving the $500.00 award which was given us.

I know you are all anxious to serve this town, as well as myself, and would ask that you please give this full consideration and advise me as quickly as possible regarding same.

With best wishes, I am,

Yours very truly, (S.) C. E. Hilgers, C. E. Hilgers, Branch Manager.

GEH:KFB.

Pencil notation: "Board grants permission to settle this matter personally 9-19-27."

[fol. 1815] Ex. 273

(Copy)

February 4, 1927.

Mr. Guy Henderson, Mulberry, Ark.

DEAR MR. HENDERSON: I have your letter of Feb. 2nd relative to your controversy with the Universal Film Exchange.

Mr. E. Z. Storie, the gentleman who operates the theatre at Alma, Ark., has failed to comply with an Arbitration Board award against him which was given to Vitagraph, Oklahoma City.

We have just had a representative in both Mulberry and Alma, and we find that E. Z. Storie is running the show at Alma. As you know Mr. Storie used to be the owner of the show in Mulberry, and when you took over his house and he attempted to run another show in Mulberry you both found it not worth while and then the Alma and Mulberry situation developed.

I have this suggestion to make to you, which will clear up the matter for every one and I am sure you want that done. Have Mr. Storie get himself straightened out with Vitagraph by writing the following: Charles Zears, Secretary Oklahoma City Film Board of Trade, 623 Security Bldg., Oklahoma City, Okla.

This secretary can give him all information concerning his case. We are sorry you are being troubled in this mat-

ter but until Mr. Storie gets himself righted and the situation is as it is, Exchanges who are members of Film Boards of trade are within their rights pursuant to the Arbitration Clause in all contracts to ask for protection of their contracts.

Please let me hear from you and I sincerely trust you will see the reason for getting things adjusted by Mr. Storie.

With kindest regards, I am

Sincerely, —— ——, Secretary.

[fol. 1816] Ex. 274

(Copy)

Famous Players Lasky Corporation, New York City

February 17, 1927.

Mr. C. E. Hilgers, Branch Manager, Memphis Exchange.

Dear Mr. Hilgers: Mr. Pettijohn of the Hays Organization, has advised me that it is satisfactory for you to proceed with your claim against the exhibitor at Mulberry, Ark.

Please be guided accordingly.

Yours very truly (S.) G. J. Schaefer, George J. Schaefer, Sales Manager, Division No. 1.

GJS:GF.

CC. to Mr. H. G. Ballance.

[fol. 1817] Ex. 275

(Copy)

Western Union Telegram

Memphis, Tenn., March 29th, 1927.

Mr. L. H. Flinn, Asst. to General Counsel, Film Boards of Trade, 469 Fifth Avenue, New York, N. Y.

Arbitration Board proceeded with Mulberry Arkansas case on receipt permission from Mr. Pettijohn February seventeenth. Exhibitor admitted charges and Board rendered award five hundred. Time up and he has not complied do we proceed as in other cases and forward letters stop in

absence of specific instructions in file would appreciate reply immediately.

Alma A. Walton.

Chg. to Memphis-Little Rock Film Board of Trade.

Night Letter

Western Union

1927, Mar. 30, A. M. 10:11.

NA 69 19
FE NEW YORK NY 30 10 48A.

Alma Walton, Secretary Memphis-Little Rock Film Board of Trade, 103 South Second St., Memphis, Tenn.:

Replying your telegram March twenty ninth Re Mulberry Arkansas case proceed as in other cases where awards are made

Gabriel L. Hess.

[fol. 1818] Ex. 276

(Copy)

Famous Players Lasky Corporation, Memphis, Tenn.

April 8, 1927.

Mrs. Alma A. Walton, Secretary Memphis-Little Rock Film Board of Trade, Memphis, Tennessee.

Dear Mrs. Walton: We are in receipt of a letter from Guy Henderson, of the Henderson Theatre, Mulberry, Arkansas, advising that he is going to sell out unless we withdraw the charges on the bicycling case, on which we have received an award of $500.00.

Will appreciate it greatly if you will check up and see that every one cuts him off on the day that he is supposed to be cut off, and that we get one hundred per cent cooperation in this instance insofar as Credit Committee is concerned.

Kind regards.

Yours very truly, (S.) C. E. Hilgers, C. E. Hilgers, Branch Manager.

CEH:KF:

[fol. 1819] Exhibit #306A

Copy

June 1st, 1927.

Mr. Saul E. Rogers, General Counsel Fox Film Corporation, New York City, N. Y.

Dear Mr. Rogers: Replying to your wire of May 31st, relative to the Security Deposit check received from the Dixie Theatre, Winona, Mississippi, beg to advise the following.

An award was granted the Liberty Specialty Film Distributing Corporation of New Orleans because the exhibitor failed to comply with contract existing with that company. The New Orleans Board immediately advised the Memphis Board and all Memphis distributors who were serving this account requested a deposit of $250.00 as security for the performance of their individual contracts.

The claim has not as yet been settled and I cannot understand why Mr. Davitts has turned the matter over to his attorney inasmuch as the conditions and provisions of our contract with Mr. Davitts provides upon the conditions stated therein for the deposit of such security.

I might add that an additional deposit was placed with Universal and First National as well as Fox and the Universal Manager has received a letter from Mr. E. D. Leishman, Chief Auditor for that Company wherein the Branch Manager is authorized to advise the attorney for Mr. Davitts that the return of the security deposit demanded is refused.

Replying to that part of your wire pertaining to deposits after an award has been complied with, beg to advise that it is a rule of this Board that such deposit may be returned immediately upon the re-instatement of the exhibitors contracts with the company to whom the award was given.

Very truly yours, C. W. McKean, Branch Manager.

CWM:ES.

[fol. 1820] Exhibit #308

Copy

Film Boards of Trade, 469 Fifth Ave., New York

March 26, 1927.

Mr. James R. Grainger, Fox Film Corporation, West 55 Street, New York.

Dear Mr. Grainger: It has been the policy of home offices of distributors represented in membership of Film Boards of Trade not to favor an exhibitor who, failing to comply with an award of the Board of Arbitration in favor of a distributor, deposits the amount of security demanded by other distributors for the performance of his contracts by agreeing to any changes in the terms of such contracts, particularly the terms thereof in relation to play dates or playing time.

It appears that the New Orleans Board of Arbitration made an award against an exhibitor in Winona, Miss.; that Famous Players held a contract dated June 16, 1926 calling for a picture to be used every Monday and Tuesday, and a picture to be used every Wednesday and Thursday starting March 1, 1927; that the exhibitor, in compliance with demands for security deposited the amount demanded with Universal in Memphis, First National, Memphis, and your office in Memphis; that your contract had no specified playing time—it merely stated that the pictures were to be used at the rate of one each week; that upon the deposit of the security with your branch manager in Memphis he thereupon agreed to deliver to the exhibitor under his contract a picture on every Monday and Tuesday, so as to take up the dates that Famous Players had, with which company the exhibitors did not deposit security.

It seems to me that your branch manager did not adhere to the policy outlined above, and the situation should be called to his attention.

Sincerely yours, Gabriel L. Hess, General Attorney.

[fol. 1821] Exhibit #309

Memphis-Little Rock Film Board of Trade, Memphis, Tenn.

April 21, 1927.

Mr. W. M. Richardson, President New Orleans Film Board of Trade, 422 New Orleans Bank Bldg., New Orleans, La.

DEAR MR. RICHARDSON: Replying to your letter of April 12th, which I received upon my return to Memphis Tuesday, regarding the situation at Winona, Miss., and wish to advise the following:

The local Fox office is serving the Dixie Theatre at Winona with three pictures every two weeks as per specifications in their contract. First National is serving three pictures every two weeks and Universal one program per week; to be more explicit Fox is serving every Monday and Tuesday and every other Saturday—First National is serving every Thursday and Friday and every second Saturday. Universal is serving every Wednesday.

The three above mentioned exchanges have received additional security deposits in the amount of $250.00 each and are serving the account only on the number of days per week as specified in the various contracts.

I might add that there has beenx some dissension among the members of our Board because of the fact that certain product, among such as Paramount, was booked on certain days of the week; Paramount feels that no member should book a picturexx on a day of the week that was originally held by some other company. Regardless of this, it seems that each of the three companies mentioned above are within their rights in taking care of Winona's bookings; however, you may rest assured that every effort will be made by these three companies, as far as they are concerned, to bring the Winona exhibitor back into line. By this I mean that no favors are going to be shown to the exhibitor.

Trusting that this explanation is satisfactory and with kindest regards, I am,

Yours very truly, (S.) C. W. McKean, President, by A. A. W.

McK'W.

[fol. 1822] Exhibit #307

New Orleans Film Board of Trade, New Orleans, La.

April 12, 1927.

Mr. C. McKean, President Memphis-Little Rock Film Board of Trade, 103 South Second Street, Memphis, Tenn.

Dear Mr. McKean: Enclosed is copy of letter written by Mr. Hess to Mr. Grainger, that was referred to Mr. Dudenhefer, local Manager of Fox and in turn referred to this Board.

Mr. Hess questions the right of the members of your Board who accepted deposits from the exhibitor mentioned, to furnish this account with pictures not in accordance with the contract. As some members of our Board are vitally interested, will thank you to bring this matter to the attention of the proper parties and give us an expression by return mail.

Kindly inform us the names of members who secured deposits for Winona, the amount of deposits accepted, also what playing arrangements were originally stipulated in the contracts prior to cash deposit being demanded.

With best wishes.

Very truly yours, New Orleans Film Board of Trade.
(S.) W. M. Richardson, President, by H.

Wm. R.:J.B.H.

[fol. 1823] Exhibit #312

April 2nd. 1927.

Mr. J. Sichelman, Fox Film Corporation, New York City, N. Y.

Dear Mr. Sichelman: I have never violated any of the rulings or agreements of the Film Board of Trade and hardly think that the booking of our product to the Dixie Theatre, Winona, Mississippi, can be considered a violation.

This account has contracts with us carrying a playing arrangement of not less than six pictures per month. We have had regular days with the account but a specific day was not mentioned on contracts, inasmuch as the exhibitor,

when sold, was spot booking most of his product, selecting certain types of pictures for certain days, etc.

When the award was granted by the Joint Arbitration Board, our letter requesting an additional security deposit was forwarded with letters from the balance of the distributors.

Sometime later the exhibitor called at my office and stated that he wanted to — our pictures as per contracts and gave me his check in the amount of $250.00 which represented the additional deposit requested.

As above stated, our contracts do not carry a weekly playing arrangement and there was nothing for me to do but serve the exhibitor with pictures as per his request, provided I did not serve him with more pictures per month than specifications in his contract called for.

I might add that had I so desired it would have been a very easy thing for me to have booked the exhibitor three pictures per week, for that is the request he made of me when he came into my Office. I did not think this fair, however, and refused to book more pictures per month than our contracts called *called* for.

Taking everything into consideration then I don't believe I violated any rule, in fact, had the exhibitor pressed me, I could have been forced to serve him as many pictures per week as he needed.

Very truly yours, C. W. McKean, Branch Manager.

[fol. 1824] Exhibit #310

Fox Film Corporation, West 55th Street, New York City

File BS

March 30, 1927.

Mr. C. W. McKean, Folx Film Corporation, Memphis, Tenn.

DEAR MR. MCKEAN: Attached is copy of a letter we received from Mr. Gabriel Hess, General Attorney of the Film Board of Trade.

Will you please let me have a reply?

Very truly yours, (S.) J. Sichelman, J. Sichelman.

JS:EW.

[fol. 1825] Exhibit #313

Copy

Film Board of Trade, 469 Fifth Avenue, New York City

April 23, 1927.

Mr. J. Sichelman, Fox Film Corporation, West 55th Street, New York.

DEAR MR. SICHELMAN: This is to acknowledge receipt of your letter of April 20, 1927 enclosing copy of a letter from Mr. C. W. McKean, your Memphis Branch Manager, in explanation of his booking of pictures to the Dixie Theatre, Winona, Miss.

Upon the facts stated by Mr. McKean, I see no justification for the claim made that he violated any rules of the Film Boards of Trade.

Sincerely yours, Gabriel L. Hess, General Attorney.

[fol. 1826] Exhibit #314

Paramount-Famous-Lasky Corporation, 265 So. Front St., Memphis, Tenn.

April, 13, 1927.

All Members Memphis-Little Rock Film Board of Trade, Memphis, Tenn.

GENTLEMEN: Before the next Joint Board of Arbitration meeting there will appear a claim of Famous Players Lasky Corporation against the Dixie Theatre, Winona, Miss., for non-fulfillment of contract.

This exhibitor has put up the required deposit with several of the companies and is now operating, and the other companies, with which he has put up no deposit, are holding the bag.

It is not the object of the Joint Board of Arbitration or the Film Board of Trade as a whole, to allow a theatre to operate under a deposit,—the object is to have the exhibitor fulfill his obligations with each organization that he is dealing with.

Therefore, the only way to bring this matter to a head is by passing this award, and asking for an additional deposit until such a time as this exhibitor cannot put up any more deposits.

We are at least entitled to $250.00 more in this instance as every distributor is entitled to a $500.00 deposit.

Trusting this will be given the proper attention, I am,

Yours very truly, (S.) C. E. Hilgers, C. E. Holgers, Branch Manager.

CEH:KF.

[fol. 1827] Exhibit #315

Copy

Paramount-Famous-Lasky Corporation, 263 So. Front St., Memphis, Tenn.

April 13, 1927.

Joint Board of Arbitration, Memphis, Tenn.

GENTLEMEN: We are handing you herewith a claim against the Dixie Theatre, Winona, Mississippi, which theatre is now operating on cash deposits caused by another distributor.

It is the object of the Joint Board of Arbitration not to secure deposits, but to get exhibitors to carry out their contracts in full. This exhibitor, we understand, has put up deposits with three distributors and is using their pictures, and allowing all other pictures which he has under contract to set on the shelf.

This, as you can see is not just to the other companies, as their contracts may never be played, and sincerely trust that an award will be given us in this instance and an additional deposit required before this exhibitor can operate his theatre.

Yours very truly, (Signed) C. E. Hilgers, Branch Manager.

CEH:KF:
Encl.

[fol. 1828] Exhibit #285

Copy

Memphis-Little Rock Film Board Bulletin

3/29/28.

Meetings

Film Board, Monday, April 2nd, 1928, 10:30 A. M.
Credit Committee, immediately after F. B.
Arbitration Board, 1:30 P. M.

Theatre Notes

Closed:

Rex, Belmont, Miss., temporarily; may open in August.

Open:

Hampton, Ark. A. D. Dunn, former owner of Willy's Theatre at Hampton, is reported re-building a theatre at that place; there is an uncomplied award against this party and same appears on the Uncomplied List, so before selling any contracts, the exhibitor will have to place the usual security or comply with Metro's award; in the latter event, you will be notified.

New Theatre, Prescott, Ark.

As advised some time ago, there is some controversy as to the new owner of this theatre, whether the new owner is C. A. Chastain, formerly in Blytheville, Ark., or C. H. Chastain. Inasmuch as the St. Louis Board, who made the award against C. A. Chastain, Blytheville, Ark., seem satisfied that C. H. Chastain is not the same party, see no reason why contracts should not be made with C. H. Chastain.

Do you know the whereabouts of H. Wick, formerly employed by Vitagraph, Pittsburgh? If you run across this party, kindly notify this office.

Also, have you come in contract with one V. E. Meadows, who claims to be a make-up expert for several studios? This party is touring the country, teaching the proper use of cosmetics and in each city selects the prettiest and most talented girl for screen tests, stating that the winner will get a six weeks contract and fifty dollars a week, and transportation for girl and companion to Hollywood. This man

is an imposter and should you learn of his operations, please notify this office at once.

Memphis-Little Rock Film Board of Trade. Alma A. Walton, Secretary.

[fol. 1829] Exhibit #264

Copy

Educational Film Exchange of Texas, Inc.

Oklahoma City, Okla., Oct. 29th, 1927.

Commodore Theatre, Eureka Springs, Ark.

Dear Sir: Because of your failure or refusal to abide by and comply with the decision or award of the Oklahoma City Board of Arbitration in the controversy between you and the Educational Film Exchange of Texas, Inc., submitted for arbitration as provided in the Standard Exhibition Contract, the undersigned in accordance with the terms of the existing contract, between us hereby demands that you pay to the undersigned at the above address the sum of $200.00 for our protection and as security for the performance by you of such existing contract.

Upon your failure to pay us said sum within seven days from the date of this letter, under the Rules and Regulations Relating to Arbitration (by reference incorporated in and made a part of the Standard Exhibition Contract) we will proceed to suspend service under such contract until you have furnished such security or complied with such decision of said Arbitration Board.

Yours truly, Educational Film Exchange, Inc. W. R. Paara, Booker.

[fol. 1830] Exhibit #265

Copy

Educational Film Exchange of Texas, Inc.

Oklahoma City, Okla., Nov. 3rd, 1927.

Mr. Herman Alwes, Commodore Theatre, Eureka Springs, Ark.

Dear Mr. Alwes: In reply to your letter of the 31st, relative to deposit demanded on contract covering remaining comedies.

Wish to advise that we have no alternative in regard to the amount of deposit required as we are governed entirely by the actions of the Memphis Film Board of Trade.

It is needless to tell you that Educational is more than anxious to see you cleared of whatever the charges might be against you and if there is some way in which you can give us an actual cash deposit would be glad to continue serving you the comedies. Otherwise, as you know, it will be necessary to discontinue service.

Trusting you will advise us and with kindest regards, we remain,

Yours very truly, Educational Film Exchange of Texas, Inc. C. T. White, Booker.

[fol. 1831] Exhibit #266

Copy

October 31, 1927.

Educational Film Exchange, Oklahoma City.

DEAR SIRS: Received yours of Oct. 29 demanding a deposit of $200 in accord with the award of the Oklahoma City Board of Arbitration in a controversy between the Commodore Theatre and Educational Film Exchange.

To my knowledge we never had a controversy and I hope you will continue service till we straighten out this matter.

Furthermore my contract calls for 66 comedies at $3 each which amounts to $198.

About 30 comedies or more are played and so it leaves about 30 comedies not played with a total rental of $90.

As a rule the exchanges demand a deposit of about half or less of the amount of contracted pictures, which would be about $40 in this case, if there was a case on the Oklahoma Board between us.

Kindly let me know.

Very truly yours, —— ——.

[fol. 1832] Exhibit #267

Copy

Educational Film Exchange of Texas, Inc.

Oklahoma City, Okla., Nov. 25th, 1927.

Mr. Herman Alwes, Commodore Theatre, Eureka Springs, Ark.

Dear Mr. Alwes: It was with much regret that we were forced to discontinue your comedy service due to the Film Board of Trade rulings. Knowing your business integrity and recalling that our associations with you have always been very pleasant, it made the cancellation of dates all the harder.

We sincerely hope that your differences with Paramount are straightened up to mutual satisfaction and that you will advise us when it is possible for our service to be resumed.

With kindest regard,

Yours sincerely, C. W. White, Booker.

[fol. 1833] Exhibit #217

Copy

Oct. 5th, 1925.

Mr. Gabriel L. Hess, General Attorney, Film Boards of Trade, New York, N. Y.

Dear Mr. Hess: Acknowledging receipt of your communication of September 25th addressed to "Secretaries of Film Boards of Trade and Joint Arbitration Boards" regarding the amount of security which may be demanded by the exhibitor for the performance of contract.

Wish to advise that this Board is very glad to receive this information, for while the members thoroughly understand the minimum and maximum amounts and have always agreed among themselves what amount they would request of an exhibitor, the Arbitration Board has never handled this part of a claim for our Board yet, merely rendering their decisions, which, if they are not carried out when the decision is in favor of the distributor, then the

Branch Managers agree on what amount of security should be asked from the exhibitor, according to what the complaint is and what amount of revenue is involved.

Your letter shall be read at our next Arbitration Board meeting and it shall then rest with those members as to whether or not they affix the amount of cash security that is to be requested from an exhibitor in case the exhibitor does not carry out the award made by that Board.

Of course you understand, Mr. Hess, we are the youngest Board in existence and such information as you send to us from time to time is doubly appreciated because all of our members are eager to have a model Board and not having a local attorney to go to with our problems, we follow your suggestions as closely as possible, knowing that in doing so, we are on the right track.

With kindest regards, we beg to remain,

Yours very truly, Memphis-Little Rock Film Board of Trade. —— ——, Secretary.

[fol. 1834] Exhibit #218

Copy

June 30, 1928.

Mr. G. L. Hess, General Attorney Film Boards of Trade, 469 Fifth Avenue, New York, N. Y.

Dear Mr. Hess: Replying to your letter of June 27th regarding Demand for Security.

Please be advised that we are handling this situation as follows:

When an award is granted in favor of an exchange against an exhibitor, if same is not complied with within seven days notice goes out from this office that the exhibitor has not complied and sets the date on which the first and second letters are to be mailed.

The amount of security asked for is not on each contract but on each class of service on the contract where features, comedies, news, etc., are written in the same contract; formerly we were only asking for a deposit on each contract, whether it covered features, alone, or features, comedies,

news, etc., but when Miss McCullough was here last January, this matter of demanding security was gone into and she advised us that a demand should be requested on each class of subjects contracted for in each contract. For instance:

Some of the Stateright Exchanges have features, comedies, serials and one reelers on one contract and they were only requesting a deposit on one contract, said deposit covering footage on the longest feature at 4c per foot, plus the amount of rental. A number of the National Organizations were writing some five or six contracts on different subjects instead of putting them all on one contract and their demands for deposit were amounting to hundreds of dollars while the Stateright Exchanges were getting by with something like $250.00 or $300.00. For example:

If a feature, serial, two reel comedy and one reel comedy is on one contract, a deposit is requested at the rate of 4c per foot on five or six reels of feature, plus film rental, another deposit on the two reel, plus the rental, deposit on the serial and deposit on the one reel, plus film rental.

It was our understanding that this procedure was followed by other Boards, therefore, while some of the members did not coincide with Miss McCullough on this, we adopted the method of procedure outlined and are now working under this system.

[fol. 1835] Trusting this is the information requested, and hoping to hear from you further on this, I am,

Yours very truly, —— ——, Secretary Memphis-Little Rock Film Board of Trade.

[fol. 1836] Exhibit #219

Copy

July 16, 1928.

Mr. Gabriel L. Hess, General Attorney Film Boards of Trade, 469 Fifth Avenue, New York, N. Y.

Dear Mr. Hess: In further reference to your letter regarding the policy of our members requesting security where exhibitors have failed to comply with an award of the Arbitration Board.

Through error your letter of July 3rd, was sent to the Cleveland Board and did not reach here until Monday, July 9th; notice was sent out from this office, immediately, to all managers and bookers, advising as per paragraph 1 and 2 of your letter of July 3rd, with the request that the letter be acknowledged and also with advice as to a thorough understanding of same, and we are now using the same policy that was followed (that of demanding security only on one contract, regardless of whether two or more classes of service are embodied in that particular contract), prior to January, 1928.

Kindest regards.

Yours very truly, —— ——, Secretary.

[fols. 1837-1877] Ex. 365

Copyright Protection Bureau, Representing National and Regional Distributors of Motion Pictures in the United States, 469 Fifth Avenue, New York City

April 3, 1928.

Miss Alma A. Walton, Secy. Memphis-Little Rock Film Board of Trade, 103 So. Second Street, Memphis, Tenn.

Dear Miss Walton: We are returning enclosed herewith file you recently sent us together with revised Reconstruction sheet of the suspected bicycling between Stephens and Marshall, Arkansas.

For the final determination of the above case, based upon reconstruction in the absence of any programs, newspapers, etc., we would recommend that First National Pictures, Inc., Liberty Specialty Film Company and the Fox Film Corporation submit their claims against the above exhibitor and that the exhibitor be requested to meet your Bicycling Committee.

Sincerely yours, Gabried L. Hess, Gabriel L. Hess, General Attorney.

26.

[fols. 1878 & 1879] Exhibit #142

"Copy"

Claim Summary

Joint Board of Arbitration of the Memphis Film Board

Town: Leachville, Ark. Theatre: Gem.
Distributor: Metro vs. Exhibitor, E. M. Howard.
Nature of complaint: Play Dates. Amt.: $157.00.
Date filed: Put back on C. I. List. 1st Notice: 12/13. 2nd Notice: 12/20.
Date award rendered: ——. 1st letter: ——. Suspension: 12/20.
How settled: ——.

Members	No. of contracts	Amts. requested	Deposit 12/12	Suspension 12/20.	
Big Feature Rights	No. C	500.00			
F. B. O.	(1)				
First Notice	No. C				
	#2150 6183	82.50	410.00		
Fox	3184 8106	250.00	290.00		
	4184	227.50			
	5188	281.50			
Liberty-Specialty	#2711	249.25			
	1751,818	250.00			
Metro		325.96			
Pathe	#1882	246.50			
	#1883	83.00			
Paramount	3/9/26	250.00			
	2/15/27. 8/2/27	290.00	82.50	23rd	
Universal	No. C				

Remarks: ——.

[fols. 1880-1891] Government Exhibit 26

Washington Film Board of Trade Arbitration Case

[fol. 1892] Ex. 8

Minutes of the Meeting of the Board of Governors

The Board of Governors met Monday, March 19th, 1928 in Room (8) of the International Exchange Bank Building.

Present: Messrs. Brown, Hunter, McNamee and Sauber. Mr. Binns was absent.

It was the opinion of the Board of Governors, that the old Resolution pertaining to the changing of playdates be properly adhered to by the different Distributors. Also the suggestion, that the Film Board of Trade prepare large printed signs for display on the Booker's desk in the different exchanges, stating briefly "that playdates positively will not be changed after once booked unless paid for." These signs to be worded, prepared, and purchased by the Executive Secretary and each exchange be charged their prorata of the expense. Also, the suggestion of the Board of Governors that each Exchange prepare and send to the Exhibitors in this territory a letter stating that hereafter bookings will not be changed after once confirmed unless payment is made when the request is made. Also the suggestion, of the Board of Governors that the Executive Secretary prepare a uniform stamp—stating briefly that bookings cannot be changed unless payment is made and that one of these stamps be distributed to each exchange and that it be used in stamping on confirmations of bookings, the cost to be paid by each individual exchange.

The suggestions above are offered for the approval of the membership.

Mr. Wm. Dutton appeared before the Board of Governors and advised that the Columbia Pictures Corporation had taken over the assets of the Exhibitors Film Exchange and he made the request that the Film Board of Trade police for Columbia the contracts which they took over from the Exhibitors Film Exchange. It was the unanimous opinion of the Board that these contracts would not be given consideration by the Board.

[fols. 1893-1895] Of course, this would not deprive Columbia Pictures Corp., of the right to bring their contracts before the Board of Arbitration provided those contracts contained a provision for Arbitration. However, the method of enforcing the Arbitration award would be thru the United States District Courts.

We do not feel that there should be any increase in the dues of Columbia Pictures Corporation for the reason, that it appears to us that this is merely one where they are securing for distribution a few additional pictures that may or may not add to their revenue.

After some discussion it was the opinion of the Board of Governors that some action should be taken which would eliminate the last minute pulling of pictures by Exhibitors. We finally agreed that the following procedure should be followed:

In any case where an Exhibitor calls an Exchange and books a picture within seventy-two (72) hours of the play-date thereof, that the Exhibitor be advised that the Exchange will let him know shortly. It would then be the duty of that particular Exchange to call the Film Board of Trade, advising the Board that this particular Exhibitor had requested spot booking or quick booking within a seventy-two (72) hour period. The Secretary of the Board would then call each of the four exchange centers, that is the Mather Building, Kirby Building, Metro Goldwyn Mayer and Paramount Famous Lasky Corp. In the Mather Building they would call Pathe Exchange and in that particular exchange one person would be designated by the Manager to find out from the exchanges in that building whether or not anything was booked on that particular day. The same procedure would be followed in the Kirby Building and the other offices.

If it is found that nothing is booked on the date requested, it would be o. k. to accept the booking—otherwise, the Exhibitor would be notified that the picture was not available on the date requested.

The foregoing as a suggestion for approval of the membership.

H. Hunter, Chairman, Board of Governors, Washington Film Board of Trade.

[fol. 1896] #70

Chicago Film Board of Trade, Suite 216-217 Standard Oil Bldg., 910 South Michigan Avenue

Telephone: Harrison 8364-5 Chicago

H. S. Lorch, President. J. D. Abramson Executive Secretary

August 9, 1928.

Mr. James B. Fitzgerald, Washington Film Board, Washington, D. C.

Dear Mr. Fitzgerald: I will appreciate it if you will be good enough to supply me with data setting forth a pro-

cedure followed by your members, countering the practice of exhibitors who spot-book pictures to avoid contractural obligations arising out of contracts containing specific play dates, or in instances where the exhibitor spot-booked pictures to avoid playing pictures on dates mutually agreed upon or where it was necessary for the distributor to set arbitrary dates in accordance with clause #9 of the Standard Exhibitors contract.

Assuring you that this information will be greatly appreciated and with kindest personal regards, I remain

Yours sincerely, Chicago Film Board of Trade.

(Signed) J. D. Abramson, Executive Secretary.

JDA:NR.

[fols. 1897-1904] #71

August 18th, 1928.

Mr. J. D. Abramson, Sec'y Chicago Film Board of Trade,
910 South Michigan Avenue, Chicago, Ill.

DEAR MR. ABRAMSON: I have for acknowledgment, your favor of August 9th, requesting the procedure following by these members to offset the Exhibitor's spot bookings to avoid contractual obligations.

You are advised, that whenever an Exhibitor attempts to spot book a picture the Distributor who is to receive the spot booking—calls the Secretary and has him ascertain whether or not the Exhibitor had a contractual obligation on that day and if so he advises the Exhibitor that he has a contractual obligation for that day which should be paid for or played. At the same time he advises the Distributor from whom the Exhibitor desires to spot book, that another Distributor has a contractual obligation on that day.

The members of this Board also have a practice and procedure as follows: That no date may be changed within fourteen days of the original play date without payment being made at the time of the change.

Trusting this gives you the information desired, I am,

Sincerely yours, James B. Fitzgerald.

JBF:ms.

[fol. 1905] #2

July 6, 1926.

Mr. A. Jos. De Fiore, Broadway Theatre, Wilmington, Del.

DEAR SIR: I have for acknowledgement, your favor of June 30th entering a claim against the Metro-Goldwyn Distributing Corporation.

Beg to advise, that I am preparing to docket this case for a hearing before the Joint Board of Arbitration in the office of Mr. H. M. Crandall, Metropolitan Theatre Bldg., 934 F. St. N. W., on Friday, July 16th. The Board convenes at 1:15.

Unless you and the Metro-Goldwyn Distributing Corp. are able to settle this case mutually before that date, please be on hand to present your case at the above named time and place.

Very truly yours, Film Board of Trade, by James B. Fitzgerald, Executive Secretary.

JBF/ms.
c. c. Metro-Goldwyn.

P. S.—I will appreciate your giving me more data regarding this claim as to when and why Metro-Goldwyn cancelled contracts, and in what respect Metro-Goldwyn failed to comply with terms of contract.

[fol. 1906] #3

Ars Gratia Artis

Metro-Goldwyn-Mayer Pictures,

924 New Jersey Ave. N. W., Washington, D. C.

May 17, 1926.

Mr. A. Jos. DeFiore, Broadway Theatre, Wilmington, Delaware.

DEAR MR. DEFIORE: I am rather surprised at the attitude that you have taken upon the question of the Mike situation. Surely you will be sufficiently reasonable to give me an opportunity to explain and at the same time make some satisfactory adjustment.

Therefore, I will consider it a personal favor if you would let matters stand just as they are, and either pay me a visit to Washington or I will be glad to come to Wilmington at some future date to the end that we will settle this matter satisfactorily to both.

We have sent to you an invitation to attend the testimonial luncheon in honor of Mr. Louis B. Mayer to be held at the Mayflower Hotel, this city, next Wednesday at 12:30, but as yet you have failed to respond. Therefore, may I take this occasion of directly requesting your presence. Thanking you to honor us with your presence and advising us that you will be on hand so that we can make ararngements, we are,

Very truly yours, Metro-Goldwyn-Mayer Distributing Corporation R. Berger, Resident Manager.

RB:rb.

The talk of the industry.

No Agreement or Order will be binding on this Corporation unless in Writing and Signed by an Officer.

[fols. 1907 & 1908] #4

May 14th, 1926.

Metro-Goldwyn Distributing Corp., 924 New Jersey Avenue N. W., Washington, D. C.

Gentlemen: Having failed to comply with terms of contract by arbitrarily selling our opposition and permitting said opposition to exhibit in advance of our play-date the production "Mike" for which we had a bonafide contract and protection; we can no longer enjoy the confidence and trust of any existing agreements, and ask that you take out all play-dates effective immediately pending decision by an Arbitration Board for our claim of damages and cancellation of contracts.

Yours very truly, Broadway Theatre, by —— ——, Mgr.

AJDF/d.

Registered.

[fol. 1909] =6

May 8th, 1926.

Metro-Goldwyn Distributing Corp., 924 New Jersey Avenue N. W., Washington, D. C.

GENTLEMEN: Attached herewith, is copy of Telegram as sent to you today and which is self explanatory.

It has come to our attention that our opposition the Park Theatre, is advertising the showing of "Mike" for Wednesday and Thursday, May 12 and 13, 1926. We call your attention to our playdate as accepted and confirmed by you of June 5, 1926 and our contract E-9018 with the protection clause therein of 14 days against Park Theatre.

We cannot believe that you have seen fit to take this arbitrary action without any cause or reason, and will assume that it has been an error. But if the Park Theatre will show this picture in advance of our playdate, then we are placed in a very embarrassing situation, and at a great financial loss coupled with a reduction of our high standards and prestige to a grade of humiliation.

We urge you therefore to correct this error and eliminate any further action on our part, because as much we regret it, we shall be compelled to safeguard our investment and prestige to very limit of that which is rightfully and justly due too a faithful, lawful and binding agreement.

Yours very truly, Broadway Theatre, by —— ——, Manager.

AJDF/d.
Registered Mail.

[fols. 1910 & 1911] =7

May 8th, 1926.

Metro-Goldwyn Distributing Corp. 924 New Jersey Avenue N. W., Washington, D. C.

Park Theatre our opposition advertising "Mike" for next week. Call your attention our date of June 5 and contract E9018 with protection clause therein.

The showing of this picture by opposition is arbitrarily and will cause further action.

Broadway Theatre.

[fol. 1912] #8

Class of Service: Telegram, Day Letter, Night Message, Night Letter. Symbol: Blue, Nite, N. L.

If none of these three symbols appears after the check (number of words) this is a telegram. Otherwise its character is indicated by the symbol appearing after the check.

Class of Service: Telegram, Day Letter, Night Message, Night Letter. Symbol: Blue, Nite, N. L.

If none of these three symbols appears after the check (number of words) this is a telegram. Otherwise its character is indicated by the symbol appearing after the check.

#8

Western Union Telegram

Newcomb Carlton, President. George W. E. Atkins, First Vice-President

The filing time as shown in the date line on full-rate telegrams and day letters, and the time of receipt at destination as shown on all messages, is standard time.

Received at 820 Market Street, Wilmington, Del.
340p JM 47 Blue.
C Washington D C 1255 P M May 8 1926.
241.

Broadway Theatre, Wilmn., Del.:

Mike was sold to you inadvertently salesman had right to include same on your contract at that time we overlooked your contract in selling picture to Park Mr. Berger perfinally will straighten this matter out for you but we are obliged to let Park run same

Metro-Goldwyn-Mayer Dis. Corp. 1:44 P.

[fol. 1913] #9

Ars Gratia Artis

Metro-Goldwyn-Mayer Pictures,

924 New Jersey Avenue, N. W., Washington, D. C.

April 20, 1926.

Mr. A. Jos. De Fiore, Broadway Theatre, Wilmington, Del.

Dear Sir: We thank you very much for the dates submitted in your letter of April 17th. A formal schedule of your bookings has already been mailed to you. Mike has been booked for your use on June 5th.

We note that you will be in a position to forward us more dates during June, July and August, and we will thank you to advise us at the earliest possible moment giving us these additional dates in order that we may clear our records.

Very truly yours, Metro-Goldwyn-Mayer Dist. Corp.
R. Berger, Resident Manager.

MG-RBG.

The talk of the industry.

No Agreement or Order will be binding on this Corporation unless in Writing and Signed by an Officer.

[fol. 1914] #10.

Ars Gratia Artis

Metro-Goldwyn-Mayer Pictures,

924 New Jersey Avenue, N. W., Washington, D. C.

April 1, 1926.

Mr. A. Jos. DeFiore, Broadway Theatre, Wilmington, Del.

Dear Mr. DeFiore: We thank you very much for the dates given our Mr. Corby. A formal notice covering same has already been mailed you.

We call your attention however, to the fact that there are still a considerable number of 1924/25 productions unplayed, and it is extremely important that we receive your

dates on same at the earliest possible moment. Your delay is holding up the Park Theatre and unless we receive same from you, it will be necessary for us to set your dates in arbitrarily.

Very truly yours, Metro-Goldwyn-Mayer Dist. Corp.
R. Berger, G., Resident Manager.

MG-RBG.

The talk of the industry.

No Agreement or Order will be binding on this Corporation unless in Writing and Signed by an Officer.

[fol. 1915] #11

Form 281

Metro-Goldwyn-Mayer Pictures

Notice of Exhibition Dates

Date: March 30, 1926.

To Broadway Theatre, Wilmington, Del.; Branch, Washington, D. C.; Key No. ——:

The following productions contracted for by you have been booked for exhibition at your theatre on dates designated below. (Said dates effective only if Application for Contract has been accepted and notice thereof sent to exhibitor as provided in application.)

Rental is due and payable not less than seven days prior to first exhibition date.

Contract Number	Play date booked	Release Number	Title
	April 12-13, 1926	54 x	Rag Man
	April 26-27	53 x	Boy of Flanders
	May 10-11	622x	Midshipman
	May 25-26	570x	He who gets Slapped
	June 7-8	644x	Never the Twain
	June 14-15	658x	Unholy Three
	June 21-22	615x	Lights of Old Broadway
	June 28-29	617x	Merry Widow.

Exhibitor: Please sign white copy and return to Exchange as your confirmation of the above bookings. The blue copy is for your files.

Metro-Goldwyn-Mayer Pictures, by —— ——, Manager-Booker.

(Signed) Broadway Theatre, by A. Jos. DeFiore.

Date: 4/2/26.

[fol. 1916] #12

Ars Gratia Artis

Metro-Goldwyn Pictures

924 New Jersey Avenue, N. W., Washington, D. C.

January 2nd, 1926.

Broadway Theatre, Wilmington, Del.

GENTLEMEN: We are attaching hereto, approved copy of contract No. E-9778, for your files.

Yours very truly, Metro-Goldwyn Distributing Corporation. R. Berger, G., Resident Manager.

MG:M.
Incl.

No Agreement or Order will be binding on this Corporation unless in Writing and Signed by an Officer.

[fol. 1917] #13

Ars Gratia Artis

Metro-Goldwyn Pictures

924 New Jersey Avenue, N. W., Washington, D. C.

December 30th, 1925.

Broadway Theatre, Wilmington, Del.

GENTLEMEN: We are today informed by our Home Office that your contract, covering our 1925/26 product, has been approved with the exception of Romola and Never the Twain Shall Meet.

Since both of these productions are owned by outside producers, the approval on these two pictures has not, as yet, come thru, but we should hear from them within the next day or two.

Yours very truly, Metro-Goldwyn Distributing Corporation. R. Berger, G., Resident Manager.

MG:M.

No Agreement or Order will be binding on this Corporation unless in Writing and Signed by an Officer.

[fol. 1918] #14

Ars Gratia Artis

Metro-Goldwyn-Mayer Pictures

924 New Jersey Avenue, N. W., Washington, D. C.

May 20, 1926.

Broadway Theatre, Wilmington, Del.

Gentlemen: Our shipping Clerk reports that you refused shipment on The Circle, which was shipped to you for use on May 19th. We are at a loss to understand why you did not use this production, as it was duly booked and confirmed to you. Kindly favor us with a new date on same or your check to cover.

Yours very truly, Metro-Goldwyn-Mayer Dist. Corp. R. Berger, G., Resident Manager.

The Talk of the Industry.

No Agreement or Order will be binding on this Corporation unless in Writing and Signed by an Officer.

[fol. 1919] #15

Metro-Goldwyn-Mayer Pictures

Notice of Exhibition Dates

To Broadway Theatre, Wilmington, Delaware; Branch: Washington, D. C.; Key No. ——:

Date: April 19, 1926.

The following productions contracted for by you have been booked for exhibition at your theatre on dates desig-

nated below. (Said dates effective only if application for Contract has been accepted and notice thereof sent to exhibitor as provided in application.)

Rental is due and payable not less than seven days prior to first exhibition date.

Contract number	Date play booked	Release number	Title
.....	May 19, 1926	627	Circle.
.....	May 28	22	Circe.
.....	June 2	656	Sun Up.
.....	June 5	660	Mike.
.....	June 10	52	Robinson Crusoe.
.....	June 16	649	Pretty Ladies.
.....	June 23	507	The Arab.
.....	June 30	643	Mystic.
.....	July 2	109	Along Came Ruth.
.....	July 7	565	Sinners in Silk.
.....	July 12-13	230	His Hour.
.....	July 16	602	Cheaper to Marry.
.....	July 19-20	221	Janice Meredith.
.....	July 21	542	Lady of the Night.
.....	July 26-27	531	Dixie.
.....	July 28	540	Silent Accuser.
.....	Aug. 4	240	Tess.
.....	Aug. 12	652	Slave of Fashion.
.....	Aug. 16-17	618	Romola.
.....	Aug. 23-24	621	Tower of Lies.
.....	Aug. 30-31	653	His Secretary.

Exhibitor: Please sign white copy and return to Exchange as your confirmation of the above bookings. The blue copy is for your files.

Metro-Goldwyn-Mayer Pictures, by ——— ———, Manager-Booker. (Signed) ——— Theatre, Date: ———, by ——— ———.

[fol. 1920] #16

Ars Gratia Artis

Metro-Goldwyn-Mayer Pictures,
924 New Jersey Ave. N. W., Washington, D. C.

June 4th, 1926.

Broadway Theatre, Wilmington, Del.

GENTLEMEN: With reference to Lights of Old Broadway which you have booked for use on June 21st, we have to advise that this print will be furnished by the Philadelphia Exchange. Will you kindly arrange to have the Wilmington messenger call at our Philadelphia Exchange for this print on the morning of the 21st.

Very truly yours, Metro-Goldwyn-Mayer Dist. Corp.
R. Berger, Resident Manager.

MG*RBG.

The talk of the industry.

No Agreement or Order will be binding on this Corporation unless in Writing and Signed by an Officer.

[fol. 1921] #17

Ars Gratia Artis

Metro-Goldwyn-Mayer Pictures,
924 New Jersey Ave. N. W., Washington, D. C.

June 2nd, 1926.

Broadway Theatre, Wilmington, Del.

GENTLEMEN: Our shipping clerk reports that you refused shipment of Sun Up which was shipped to you for use on June 2nd. We know of no reason why this production was not used, as it was duly booked and confirmed to you. Kindly favor us with a new date on this production, or your check to cover.

Very truly yours, Metro-Goldwyn-Mayer Dist. Corp.
R. Berger, Resident Manager.

RBG.

The talk of the Industry.

No Agreement or Order will be binding on this Corporation unless in Writing and Signed by an Officer.

[fol. 1922] #18

Ars Gratia Artis

Metro-Goldwyn-Mayer Pictures,
924 New Jersey Ave. N. W., Washington, D. C.

June 2nd, 1926.

Broadway Theatre, Wilmington, Del.

GENTLEMEN: Will you kindly reply to our letter of May 20th in which we request your reason for refusing shipment of The Circle and ask you to submit a new date on same. Kindly give this matter your immediate attention in order that we may clear our records.

Very truly yours, Metro-Goldwyn-Mayer Dist. Corp.
R. Berger, Resident Manager.

RBG.

The talk of the Industry.
No Agreement or Order will be binding on this Corporation unless in Writing and Signed by an Officer.

[fol. 1923] #19

Ars Gratia Artis

Metro-Goldwyn-Mayer Pictures,
924 New Jersey Ave. N. W., Washington, D. C.

June 2nd, 1926.

Mr. A. Joseph DeFiore, Broadway Theatre, Wilmington, Del.

DEAR MR. DEFIORE: We call your attention to the fact that recently not less than three of our shows have been returned refused. We are at a loss to understand why, for the reason that all the bookings were duly confirmed and we have had no advice from you relative to changing same. Will you kindly advise by return mail your reason for refusing these shipments and at the same time let us know

what you propose to do in regard to future bookings, in order that we may govern ourselves accordingly.

Very truly yours, Metro-Goldwyn-Mayer Dist. Corp.
R. Berger, Resident Manager.

MG*RBG.

The talk of the Industry.

No Agreement or Order will be binding on this Corporation unless in Writing and Signed by an Officer.

[fol. 1924] #20

Film Board of Trade, Washington, D. C.,
706 Mather Building
Samuel M. Boyd, Executive Secretary
Phone: Main 3705

July 6, 1926.

Mr. A. Jos. De Fiore, Broadway Theatre, Wilmington, Del.

DEAR SIR: I have for acknowledgment, your favor of June 30th entering a claim against the Metro-Goldwyn Distributing Corporation.

Beg to advise, that I am preparing to docket this case for a hearing before the Joint Board of Arbitration in the office of Mr. H. M. Crandall, Metropolitan Theatre Bldg., 934 F. St. N. W., on Friday, July 16th. The Board convenes at 1:15.

Unless you and the Metro-Goldwyn Distributing Corp. are able to settle this case mutually before that date, please be on hand to present your case at the above named time and place.

Very truly yours, Film Board of Trade, by James B. Fitzgerald, James B. Fitzgerald, Executive Secretary.

JBF/ms.

c. c. Metro-Goldwyn.

[fol. 1925] P. S.—I will appreciate your giving me more data regarding this claim as to when and why Metro-Goldwyn cancelled contracts, and in what respect Metro-Goldwyn failed to comply with terms of contract.

[fol. 1926] #21

June 1st, 1926.

Metro-Goldwyn Distributing Corp., 924 New Jersey Avenue N. W., Washington, D. C.

GENTLEMEN: With further reference to our conversation of last week, your offer of several gratis Pictures and the Option to cancel out Pictures we did not desire, we beg to advise that after a very careful and serious consideration of the case, we cannot depart from our sincere belief that the breach has been skilfully and intentionally handled with a deliberate, wile and wilful motive of a "squeeze." We therefore cannot accept your proposition as it will in no way near cover the damages which up to the present time are as follows:

Loss of business on Picture	$100.00
Loss of business due to opposition 5/12	25.00
" " " " " " 5/13	25.00
Painted Banner	7.00
Painted One Sheets	3.00
Telegrams & Registered letters	2.75
R. R. Fares & Expenses to Washington 5/25	12.00
Total	$174.75

If you wish to make this adjustment now and cancel out the entire contracts we gladly give you this opportunity if you will advise us by return mail, or otherwise we shall be compelled to take the matter before the Film Board for an adjustment.

Awaiting to hear from you,

Yours very truly, Broadway Theatre, by —— ——, Mgr.

[fol. 1927] #22

June 30th, 1926.

Mr. Samuel Boyd, Secretary Film Board of Trade, Mather Bldg., 916 G Street, Washington, D. C.

DEAR MR. BOYD: Kindly arrange to give us a hearing before an Arbitration Board as soon as possible for the fol-

lowing claim against the Metro-Goldwyn Distributing Corp.:

"Cancellation of contracts and damages" for failure of the said Metro-Goldwyn Dist. Corp. to comply with terms of contract and to arbitrarily breach same without any cause or reason.

Trusting that you will grant us a hearing at an early date, we beg to remain,

Very truly yours, Broadway Theatre, by —— ——, Mgr.

AJDF/d.
Registered mail.

[fol. 1928] #23

Ars Gratia Artis

Metro-Goldwyn-Mayer Pictures, 924 New Jersey Ave. N. W., Washington, D. C.

June 7, 1926.

Mr. Jos. De Fiore, Broadway Theatre, Wilmington, Delaware.

Dear Mr. De Fiore: Since you feel disposed to be arbitrary in the matter of settling the dispute on the Mike matter, we see no other alternative than to place the matter in the hands of the Joint Board of Arbitration for this disposition.

Very truly yours, Metro-Goldwyn-Mayer Distributing Corporation. R. Berger, Resident Manager.

RB:RB.

The talk of the Industry.

No Agreement or Order will be binding on this Corporation unless in Writing and Signed by an Officer.

[fol. 1929] #24

City: Washington.
State: D. C.
County: ——.

In the Matter of the Arbitration Metro-Goldwyn Corp., Distributor, and Mr. A. Jos. DeFiore, Broadway Theatre, Wilmington, Del., Exhibitor.

We, the undersigned arbitrators, having been duly appointed to arbitrate the matters in controversy existing between the above named Distributor and Exhibitor as by the provisions of the contract between said Distributor and said Exhibitor provided (or by the conditions of their submission in writing executed by said Distributor and Exhibitor respectively and sealed with their respective seals and duly acknowledged) and after having taken the oath and after hearing the proofs and allegations of the said parties and due deliberation having been made we do hereby award, determine and order; that is to say:

(Here express in clear and precise terms the award so that nothing shall be left uncertain. The award should be final in its terms so as to terminate the controversy.)

In this case Board found from evidence and from the admission on the part of the representative of Metro-Goldwyn that they did play the picture "Mike" in the Park, Wilmington, Del., in spite of protection clause contained in Broadway contract, and recommended that the Distributor furnish gratis "Mike" and to select two additional pictures from the line-up clear of the opposition house with fourteen days protection and further that the Broadway Theatre be allowed $24.75 to cover following items: painted banner $7.00, painted 1-sheets $3.00, telegrams and registered letters $2.75, railroad fare and expense to Washington $12.00. Board denied request of B'way Theatre to cancel the entire contract as they found the contract was severable and the breach complained of only applied to the one picture "Mike." This award is to be complied with in (7) days.

In witness whereof we have subscribed this award this 16th day of July, 1926.

J. P. Morgan (L. S.), Harris Hunter (L. S.), J. K. Bode (L. S.), —— —— (L. S.), —— —— (L. S.), —— —— (L. S.).

[fol. 1930] State of ——,
County of ——:

On this — day of ——, 192-, before me, a Notary Public in and for said County and State, personally appeared —— ——, known to me to be the individuals described in and

who executed the foregoing instrument, and they duly acknowledged to me that they executed the same.

—— ——, Notary Public. My Commission expires —— —, ——.

[fol. 1931] #25

July 19, 1926.

Mr. A. Jos. DeFiore, Broadway Theatre, Wilmington, Del.

Dear Mr. DeFiore: I am instructed to advise you of the award made by the Joint Board of Arbitration in the case of Broadway Theatre, Wilmington, Del., versus Metro-Goldwyn Corp.:

"In this case Board found from evidence and from the admisson on the part of the representative of Metro-Goldwyn, that they did play the picture "Mike" in the Park, Wilmington, Del., in spite of protection clause contained in Broadway contract, and recommended that the Distributor furnish gratis "Mike" and Exhibitor to select two additional pictures from the line-up clear of the opposition house with fourteen days protection and further, that the Broadway Theatre be allowed $24.75 to cover following items: painted banner, $7.00; painted 1-sheets, $3.00; telegrams and registered letters, $2.75; railroad fare and expense to Washington, $12.00. Board denied request of Broadway Theatre to cancel the entire contract as they found the contract was severable and the breach complained of only applied to the one picture, "Mike." This award is to be complied with in (7) days."

Cordially yours, —— ——, by James B. Fitzgerald, Sec'y. Joint Board of Arbitration.

JBF/ms.

[fol. 1932] #26

July 28, 1926.

Mr. A. Jos. DeFiore, Broadway Theatre, Wilmington, Del.

Dear Mr. DeFiore: Please advise me whether or not Metro-Goldwyn Distributing Corporation has complied with the decision of the Joint Board of Arbitration—that

they supply you with "gratis" pictures, whether or not they have remitted check for $24.75, or whether they have given you credit in this amount on their books.

Very truly yours, Film Board of Trade, by James B. Fitzgerald, Executive Secretary.

JBF/ms.

[fols. 1933-1939] #27

August 4, 1926.

Not answered by exhibitor; consider matter closed.

Mr. A. Jos. DeFiore, Broadway Theatre, Wilmington, Del.

DEAR MR. DEFIORE: Under date of July 28th, we wrote you asking for advice whether or not the Metro-Goldwyn Distributing Corporation had complied with the decision of the Joint Board of Arbitration rendered in your favor and to date we have not heard from you.

An early reply will be appreciated.

Very truly yours, Film Board of Trade, by James B. Fitzgerald, Executive Secretary.

JBF/ms.

[fols. 1940 & 1941] GOVERNMENT EXHIBIT 28

[fol. 1942] New Haven Film Board of Trade Arbitration Case #216

Complaint #15

Hartford, Conn., 1928.

Complaint: United Artists Corp. vs. Cameo Theatre Co., Inc., David Weinstock, Grand Theatre.

Date of Contract: May 9th, 1928.

Amount of complaint: $100.00; $1.88 Express chags.—$101.88.

My Best Girl, September 30th, 1928, $101.88.

GENTLEMEN: We attach hereto original contract entered into with the above theatre, and desire to bring claim for the following reasons:

1. That the contract listed herein was executed by David Weinstock on behalf of the Grand Theatre, Hartford, Conn., on the 9th day of May, 1928.

2. That in accordance with the terms thereof, plaintiff has given written notice of availability for the picture embraced by the said contract.

3. That the defendant ignored such notice of availability and has failed to select and furnish play date as requested by plaintiff.

4. That the plaintiff, pursuant to the provision of the said contracts, designated and assigned play date as shown by plaintiff's notice of such assignment dated September 14th, 1928.

5. That shipment of the picture My Best Girl was made by plaintiff on the 28th day of September, 1928, and that the shipment so made was refused by the defendant.

6. That plaintiff has complied with all the terms and conditions of the said contract between the parties herein, and that defendant having failed and defaulted in the carrying out of his agreement under the terms thereof:

7. Plaintiff therefore demands a money award in the sum of $101.88 and that payment of the same shall be made by the defendant as determined by your Honorable Body, and that defendant be given the privilege of playing this picture subsequently upon dates mutually agreeable.

Very truly yours, M. O'Brien, Office Manager.

[fol. 1943] #218

Form No. 4

City: ——.
State: ——.
County: ——.

In the Matter of the Arbitration of United Artists Corp., Distributor, and D. Weinstock, Cameo Theatre, Inc., Grand Theatre, Hartford, Ct., Exhibitor

We, the undersigned arbitrators, having been duly appointed to arbitrate the matters in controversy existing

between the above named Distributor and Exhibitor as by the provisions of the contract between said Distributor and said Exhibitor provided (or by the conditions of their submission in writing executed by said Distributor and Exhibitor respectively and sealed with their respective seals and duly acknowledged) and after having taken the oath and after hearing the proofs and allegations of the said parties and due deliberation having been made we do hereby award, determine and order; that is to say:

(Here express in clear and precise terms the award so that nothing shall be left uncertain. The ward should be final in its terms so as to terminate the controversy.)

Default noted, dated 10/22/28. Joint Board of Arbitration. K. T. Sullivan, Secy.

In witness whereof we have subscribed this award this 22nd day of Oct. 1928. 19.

—— —— (L. S.)., —— ——, (L. S.), —— ——, (L. S.), —— ——, (L. S.), —— ——, (L. S.), —— —— (L. S.).

STATE OF ——,
County of ——:

On this — day of ——, 192-, before me, a Notary Public in and for said County and State, personally appeared —— ——, known to me to be the individuals described in and who executed the foregoing instrument, and they duly acknowledged to me that they executed the same.

—— ——, Notary Public. My Commissioner expires —— —, ——.

[fol. 1944] #221

New Haven Film Board of Trade

(For Your Confidential Information)

Date: October 31, 1928.

Members New Haven Film Board of Trade, Boston Film Board of Trade.

GENTLEMEN: The Joint Board of Arbitration advises us that the following exhibitors have failed to comply with arbitration awards. Under the terms of your contract re-

lating to arbitr tion you are entitled to demand security in an amount not exceeding $500.00 under each existing contract with this exhibitor, the amount of security to be specified by each distributor to be based upon the actual value of any print to be delivered under your contract, (figured at 4¢ per linear foot) plus the rental value of such print.

First letter, to be dated October 31st, effective Nov. 7, 1928: G. Lewitt, Strand Theatre, Plainville, Ct., (Royal Film Co., Boston). M. Tomasino, White Way Theatre, New Haven, Ct. (Royal Film Co., Boston). D. Weinstock, Cameo Theatre, Inc., Grand Theatre, Hartford, Ct. (United Artists claim—Default letter).

Second letter, to be dated —— —, ——, effective immediately.

Exchanges please note: Sign and return this list properly checked to the Secretary of the Film Board of Trade to show the accounts with which you hold contracts not later than five o'clock today.

(Sign:) —— Exchange.

Tiffany—(Illegible name)
(Illegible name)
United Artists—M O B
FBO—F. Cohn
First Nat Pic (Illegible initials)
Educational " "
Metro G M. " "
H. Germane
Universale " "
Independent " name)
Vitagraph Inc. " "
Fox Film Corporation (Illegible initials)
(Illegible name)

[fol. 1945] #227

United Artists Corporation

134 Meadow Street, New Haven, Conn.
Telephone: Liberty 3222

Mr. D. Weinstock, Cameo Theatre, Inc., Grand Theatre, Hartford, Conn.

Dear Sir: Because of your failure to appear to arbitrate in the controversy between you and United Artists Corpo-

ration submitted for arbitration as provided in the Standard Exhibition Contract, the undersigned in accordance with the terms of the existing contracts between us hereby demands that you pay to the undersigned at the above address the sum of $3745. for our protection and as security for their performance by you of such existing contracts, as below enumerated:

Picture	Cont. No.	Date of Cont.	Amount of security asked
The Gaucho	#4722	5/9/28	$500
Best Girl	5253	"	460
Drums of Love	2590	"	460
Devil Dancer	3716	"	370
Garden of Eden	3172	"	370
Topsy and Eva	4363	"	360
College	4859	"	290
Tempest	2513	"	500
The Dove	4084	"	435

Upon your failure to pay us said sum within seven days from the date of this letter under the Rules and Regulations Relating to Arbitration (by reference incorporated in and made a part of the Standard Exhibition Contract) we will proceed to suspend service under such contracts until you have furnished such security.

Very truly yours, United Artists Corporation. ——
——, Office Manager.

S.

Registered.

[fol. 1946] #228

United Artists Corporation

134 Meadow Street, New Haven, Conn.

Telephone: Liberty 3222

October 31, 1928.

Mr. G. Lewitt, Strand Theatre, Plainville, Conn.

DEAR SIR: Because of your failure or refusal to abide by and comply with the decision or award of the Joint Board

of Arbitration in the controversies between you and Royal Film Company, Boston, Mass., submitted for arbitration as provided in the Standard Exhibition Contract, the undersigned in accordance with the terms of the existing contracts between us hereby demands that you pay to the undersigned at the above address the sum of $3180. for our protection and as security for the performance by you of such existing contracts:

Picture	Cont. No.	Date of Cont.	Amount of security asked
Drums of Love	14	7/8/27	$410
Magic Flame	34	"	410
Garden of Eden	24	"	370
Devil Dancer	13	"	360
Ramona	25	"	370
Dove	23	"	410
Arabian Knights	40	"	400
Tempest	27	"	450

Upon your failure to pay us said sum within seven days from the date of this letter under the Rules and Regulations relating to Arbitration (by reference incorporated in and made a part of the Standard Exhibition Contract) we will proceed to suspend service under such contracts until you have furnished such security or complied with such decision of said Arbitration Board.

Very truly yours, United Artists Corporation. ——
——, Office Manager.

S.
Registered.

[fol. 1947] #229

Oct. 31, 1928.

Mr. G. Lewitt, Strand Theatre, Plainville, Conn.

Dear Mr. Lewitt: Because of your failure or refusal to abide by and comply with the decision or award of the Joint Board of Arbitration in the controversy between you and the Royal Film Co., Boston, submitted for arbitration as provided in the Standard Exhibition Contract, the undersigned in accordance with the terms of the existing con-

tracts between us hereby demands that you pay to the undersigned at the above address, the sum of Eight Hundred Ninety-seven Dollars and Fifty cents ($897.50) for our protection and as security for the performance by you of such existing contracts, as below enumerated:

Contract No.	Date	Amount of security asked
#3335	Aug. 16th, 1927	$260.00
#4270	Apr. 12th, 1928	$300.00
#3336	Aug. 16th, 1927	$337.50

Upon your failure to pay us said sum within seven days from the date of this letter under the Rules and Regulations Relating to Arbitration (be reference incorporated in and made a part of the Standard Exhibition Contract), we will proceed to suspend service under such contracts until you have furnished such security or complied with such decision of said Arbitration Board.

Yours very truly, Universal Film Exchange, Inc.,
—— ——, Branch Manager.

MJ:LR.

[fol. 1948] #230

Oct. 31, 1928.

Mr. M. Tomasino, White Way Theatre, New Haven, Conn.

Dear Mr. Tomasino: Because of your failure or refusal to abide by and comply with the decision or award of the Joint Board of Arbitration in the controversy between you and the Royal Film Co., Boston, submitted for arbitration as provided in the Standard Exhibition Contract, the undersigned in accordance with the terms of the existing contracts between us hereby demands that you pay to the undersigned at the above address, the sum of One Thousand Three Hundred Eighty-two Dollars ($1382.00) for our protection and as security for the performance by you of such existing contracts, as below enumerated:

Contract No.	Date	Amount of security asked
#3891	Dec. 13th, 1928	$412.50
#3890	Dec. 13th, 1928	252.50
#3889	Dec. 13th, 1928	300.00
#3888	Dec. 13th, 1928	417.00

Upon your failure to pay us said sum within seven days from the date of this letter under the Rules and Regulations Relating to Arbitration (by reference incorporated in and made a part of the Standard Exhibition Contract), we will proceed to suspend service under such contracts until you have furnished such security or complied with such decision of said Arbitration Boards.

Yours very truly, Universal Film Exchange, Inc.
—— ——, Branch Manager.

MJ: DR.

[fol. 1949] =242

Metro-Goldwyn-Mayer Pictures

Oct. 31, 1928.

Mr. M. Tomasino, White Way Theatre, New Haven, Conn.

DEAR MR. TOMASINO: Because of your failure or refusal to abide by and comply with the decision or award of the Joint Board of Arbitration in the controversy between you and the Royal Film Corp., submitted for arbitration as provided in the Standard Exhibition Contract, the undersigned in accordance with the terms of the existing contracts between us hereby demand that you pay to the undersigned at the above address the sum of $830.50 for our protection and as security for the performance by you of such existing contracts, as below enumerated:

Contract No.	Date	Amount of security asked
4329	Aug. 10, 1928	$330.00
4314	Aug. 4, 1928	375.00
S-561	Aug. 4, 1928	84.00
S-559	Aug. 4, 1928	41.50

Upon your failure to pay us said sum within seven days from the date of this letter under the Rules and Regulations Relating to Arbitration (by reference incorporated in and made a part of the Standard Exhibition Contract) we will proceed to suspend service under such contracts until you have furnished such security or complied with such decision of said Arbitration Board.

Very truly yours, J. Robert Smith, Resident Manager.

WBG-CD.

[fol. 1950] #243

Metro-Goldwyn-Mayer Pictures

Oct. 31, 1928.

Mr. D. Weinstock, Central Theatre, West Hartford, Conn.

Dear Mr. Weinstock: Because of your failure to appear to arbitrate in the controversy between you and the United Artist Dist. Corp., submitted for arbitration as provided in the Standard Exhibition Contract, the undersigned in accordance with the terms of the existing contracts between us hereby demands that you pay to the undersigned at the above address the sum of eight hundred eleven dollars and fifty cents ($811.50) for our protection and as security for the performance by you of such existing contracts.

Upon your failure to pay us said sum within seven days from the date of this letter under the Rules and Regulations Relating to Arbitration (by reference incorporated in and made a part of the Standard Exhibition Contract) we will proceed to suspend service under such contracts until you have furnished such security.

Very truly yours, J. Robert Smith, Resident Manager.

WBG-CD.

[fol. 1951] #244

Oct. 31, 1928.

Mr. G. LeWitt, Strand Theatre, Plainville, Ct.

Dear Mr. LeWitt: Because of your failure or refusal to abide and comply with the decision or award of the Joint Board of Arbitration in the controversy between you and Royal Film Company for arbitration as provided in the Standard Exhibition Contract, the undersigned in accordance with the terms of the existing contracts betwee- us hereby demand that you pay to the undersigned at the above address the sum of $615 for our protection and as security for the performance by you of such existing contracts, as below enumerated:

Contract No.	Date	Amount of security asked	
3137	6/16/27	$320	
3140	6/16/27	295	
			$615

Upon your failure to pay us said sum within seven days from the date of this letter under the Rules and Regulations Relating to Arbitration (by reference incorporated in and made a part of the Standard Exhibition Contract) we will proceed to suspend service under such contracts until you have furnished such security or complied with such decision of said Arbitration Board.

Very truly yours, First National Pictures, Inc. ——
——, Manager.

MHK:D.

[fol. 1952] #245

Oct. 31, 1928.

Mr. M. Tomasino, White Way Theatre, New Haven, Conn.

DEAR MR. TOMASINO: Because of your failure or refusal to abide and comply with the decision or award of the Joint Board of Arbitration in the controversy between you and Royal Film Company for arbitration as provided in the Standard Exhibition Contract, the undersigned in accordance with the terms of the existing contracts between us hereby demand that you pay to the undersigned at the above address the sum of $1180 for our protection and as security for the performance by you of such existing contracts, as below enumerated:

Contract No.	Date	Amount of security asked	
#3576	9/19/27	$300	
4337	3/28/28	290	
3214	6/28/27	295	
4665	7/6/28	295	$1180

Upon you failure to pay us said sum within seven days from the date of this letter under the Rules and Regulation Relating to Arbitration (by reference incorporated in and made a part of the Standard Exhibition Contract) we will proceed to suspend service under such contracts until you have furnished such security or complied with such decision of said Arbitration Board.

Very truly yours, First National Pictures, Inc.
—— ——, Manager.

MHK:D.

[fol. 1953] #252

Oct. 31, 1928.

Mr. D. Weinstock, Cameo Theatre, Inc., Grand Theatre, Hartford, Conn.

DEAR MR. WEINSTOCK: Because of your failure to appear to arbitrate in the controversy between you and United Artists Dist. Corp., submitted for arbitration as provided for in the Standard Exhibition Contract, the undersigned in accordance with the terms of the existing contracts between us, hereby demands that you pay to the undersigned at the above address the sum of $1472.50 for our protection and as security for the performance by you of such existing contracts as below enumerated:

Contract No.	Date	Amount of security asked
2090	Aug. 9, 1928	$252.50
1848	June 31, 1927	380
1847	" " "	260
134	Aug. 16, 1927	45
566	Sept. 23, 1926	87.50
1453	April 12, 1927	88.50
135	Aug. 16, 1927	90
136	" " "	90
2057	Aug. 7, 1928	89
137	Aug. 16, 1927	90

Upon you failure to pay us said sum within seven days from the date of this letter under the Rules and Regulations Relating to arbitration (by reference incorporated in and made a part of the Standard Exhibition Contract) we will proceed to suspend service under such contracts until you have furnished such security.

Yours very truly, Pathe Exchange, Inc. —— ——,
Head Booker.

WC:AD.

[fol. 1954] #253

Oct. 31, 1928.

Mr. M. Tomassino, White Way Theatre, New Haven, Conn.

DEAR MR. TOMASSINO: Because of your failure or refusal to abide by and comply with the decision or award of the

Joint Board of Arbitration in the controversy between you and the Royal Film Co. of Boston, submitted for arbitration as provided for in the Standard Exhibition Contract, the undersigned, in accordance with the terms of the existing contracts between us, hereby demands that you pay to the undersigned at the above address the sum of $1390.25 for our protection and as security for the performance by you of such existing contracts as below enumerated:

Contract No.	Date	Amount of security asked
570	Sept. 22, 1926	$ 85
188	Aug. 24, 1927	85
868	Dec. 26, 1927	212.50
866	" " "	330
867	" " "	255
1172	Sept. 13, 1926	297.50
890	Dec. 13, 1927	84
911A	" " "	41.25

Upon your failure to pay us said sum within seven days from the date of this letter under the Rules and Regulations Relating to Arbitration (by reference incorporated in and made a part of the Standard Exhibition Contract) we will proceed to suspend service until you have furnished such security or complied with such decision of said Arbitration Board.

Yours very truly, Pathe Exchange, Inc. —— ——,
Head Booker.

WD:AD.

[fol. 1955] #254

Oct. 31, 1928.

Mr. Geo. LeWitt, Strand Theatre, Plainville, Conn.

Dear Mr. LeWitt: Because of your failure or refusal to abide by and comply with the decision or award of the Joint Board of Arbitration in the controversy between you and the Royal Film Co. of Boston submitted for arbitration as provided for in the Standard Exhibition Contract, the undersigned in accordance with the terms of the existing contracts between us hereby demands that you pay to

the undersigned at the above address the sum of $2557.50 for our protection and as security for the performance by you of such existing contracts as below enumerated:

Contract No.	Date	Amount of security asked
3068	Aug. 7, 1928	$ 85
1444	Mar. 14, 1928	287.50
1722	April 30, 1928	287.50
1723	Sept. 18, 1928	367.50
2206	" " "	460
2207	" " "	290
2208	" " "	205
1444	Mar. 14, 1928	247.50
1254	May 7, 1928	245
1788	" 14, 1928	41.25
2186	Sept. 12, 1928	41.25

Upon your failure to pay us said sum within seven days from the date of this letter, under the Rules and Regulations Relating to Arbitration (by reference incorporated in and made a part of the Standard Exhibition Contract) we will proceed to suspend service under such contracts until you have furnished such security or complied with such decision of said arbitration board.

Yours very truly, Pathe Exchange, Inc. —— ——,

Head Booker.

WC:AD.

[fol. 1956] ±256

November 2nd, 1928.

Mr. Louis B. Nizer, New York Film Board of Trade, 1560 Broadway, New York City.

Dear Mr. Nizer: On October 31st, our members sent our security letters to Mr. D. Weinstock, Cameo Theatre, Inc., Grand Theatre, Hartford, Ct., because of his failure to appear to arbitrate in a case brought against him by the United Artists Corp., this city.

We have just been advised by the local manager for United Artists that Mr. Weinstock is served every Sunday

by the Ufa Film Corp., which I believe is a member of your Board.

Will you kindly take this matter up with the Ufa Film Corp., and if they are serving the Grand Theatre, Hartford, Ct., ask them to kindly co-operate and send out a security letter to this account.

With my kindest personal regards, I remain

Sincerely yours, New Haven Film Board of Trade,
—— ——, Secretary.

KTS.

[fol. 1957] #286

Form No. 1

Board of Arbitration

Complaint

Sept. 14th, 1928.

Dear Sir: We attach hereto a contract entered into with A. Shuman, Pres. exhibitor, operating the Lyric Theatre at Hartford in the *City* of Connecticut.

We respectfully complain against said exhibitor as follows:

(Here insert a plain and concise statement of facts)

We herewith claim that Mr. A. Shuman operating the Lyric Theatre located at Hartford, Conn. has breached contracts dated Sept. 26th, 1927 and Jan. 1st, 1928, in failing to exhibit and pay for the following pictures.

Crooks Can't Win	$10.00
Moment of Temptation	10.00
Texas Tornado	7.50
Trail of Courage	10.00
Little Buckaroo	10.00
Fighting Redhead	10.00
Bantam Cowboy	10.00
	$67.50

That by reason thereof, we are entitled to recover from the said exhibitor, the sum of sixty-seven dollars fifty cents ($67.50).

We desire you to advise the exhibitor of our claim, and if it is denied, or if the exhibitor fails to respond to your communication, or if an answer is received and it is not satisfactory to us, we desire our claim brought before the Board of Arbitration for determination.

Very truly yours, F. B. O. Pictures Corporation, Distributor. John J. Lane, Manager.

[fol. 1958] #288

Form No. 4

City: New Haven.
State: Connecticut.
County: New Haven.
In the Matter of the Arbitration of
F. B. O. Pictures Corp., Distributor, and A. Schuman, Lyric Theatre, Hartford, Conn., Exhibitor

We, the undersigned arbitrators, having been duly appointed to arbitrate the matters in controversy existing between the above named Distributor and Exhibitor as by the provisions of the contract between said Distributor and said Exhibitor provided (or by the conditions of their submission in writing executed by said Distributor and Exhibitor respectvely and sealed with their respective seals and duly acknowledged) and after having taken the oath and after hearing the proofs and allegations of the said parties and due deliberation having been made we do hereby award, determine and order; that is to say:

(Here express in clear and precise terms the award so that nothing shall be left uncertain. The award should be final in its terms so as to terminate the confroversy.)

Default noted; date: 9/27/28. Joint Board of Arbitration. K. T. Sullivan, Secy.

In witness whereof we have subscribed this award this 25th day of Sept. 1928.

——, —— (L. S.), —— —— (L. S.), —— —— (L. S.), —— —— (L. S.), —— —— (L. S.) —— —— (L. S.).

STATE OF ——,
County of ——.

On this — day of ——, 192—, before me a Notary Public in and for said County and State, personally appeared —— ——, known to me to be the individuals described in and who executed the foregoing instrument, and they duly acknowledged to me that they executed the same.

—— ——, Notary Public. My commission expires —— —, ——

[fol.1959] #289

September 26, 1928.

Mr. A. Schumann, Rialto Theatre, Hartford, Ct.

DEAR MR. SCHUMANN: Kindly be advised that your default was noted for non-appearance before the Joint Board of Arbitration in the following case: F B O Pictures Cpr. vs A. Schumann, Lyric Theatre, Hartford, Ct. Please guide yourself accordingly.

Your very truly, Joint Board of Arbitration. —— ——, Secretary.

KTS.

[fol. 1960] #290

New Haven Film Board of Trade

(For Your Confidential Information)

Date: Oct. 29, 1928.

Members: New Haven Film Board of Trade, Boston Film Board of Trade.

GENTLEMEN: The Joint Board of Arbitration advises us that the following exhibitors have failed to comply with arbitration awards. Under the terms of your contract relating to arbitration you are entitled to demand security in an amount not exceeding $500.00 under each existing contract with this exhibitor, the amount of security to be specified by each distributor to be based upon the actual value of any print to be delivered under your contract, (figured at 4¢ per linear foot) plus the rental value of such print.

First letter, to be dated Oct. 29th, effective Nov. 5, 1928. No. 196, A. Schumann, Lyric Theatre, Hartford, Ct. (F. B. O. claim), default.

Second letter, to be dated ——, effective immediately.

Exchanges please note: Sign and return this list properly checked to the Secretary of the Film Board of Trade to show the accounts with which you hold contracts not later than five o'clock today.

(Signed —— Exchange.

[fol. 1961] Tiffany—KB
(Illegible Name)
" "
" "
" "
Educational—H
First Nat. Pictures
Metro (Illegible initials)
(Illegible name)
Universal A.B.
Independent (Illegible initials)
Vitagraph-Warner Bros (illegible initials)
Fox Filma (Illegible initials)

[fol. 1962] #291

F B O

F B O Pictures Corporation, New Haven Exchange, 134 Meadow St.

October 31, 1928.

Miss K. Sullivan, Film Board of Trade, New Haven, Conn.

DEAR MISS SULLIVAN: We desire to have our complaint against the Lyric Theatre, Hartford, Connecticut, withdrawn.

Very truly yours, F. B. O. Pictures Corporation.
John J. Lane, Branch Manager.

FC.

Master Showmen of the World.

[fol. 1963] #292

October 31, 1928.

To all members New Haven Film Board of Trade.

Subject: F B O Pictures Corp. vs. A. Schumann, Lyric Theatre, Hartford, Conn.

GENTLEMEN: This is to advise you that the above mentioned claim has been withdrawn. Kindly send out letter advising this exhibitor that you have withdrawn your demands for *scrutiy* and are reinstating their bookings today.

Film Board of Trade. —— ——, Sec'y.

[fol. 1964] Pathe Ex EMR
United Artists—MOB
FBO FC
First Nat Pic (Illegible initials)
Educational " "
(Illegible name)
Paramount
D
Universal " "
Independent B. Jacobs
Vitagraph Inc. V.C.
Fox Film Corp (Illegible name)
(Illegible name)
Tiffany (Illegible name)

[fol. 1965] #293

October 29, 1928.

Mr. A. Schuman, Lyric Theatre, Hartford, Ct.

DEAR MR. SCHUMAN: Because of your failure to appear to arbitrate in the controversy between you and F. O. B. as provided in the Standard Exhibition Contract, the undersigned in accordance with the terms of the existing contracts between us hereby demand that you pay to the undersigned at the above address the sum of $1630 for our protection and as security for the performance by you of such existing contracts, as below enumerated.

Contract No.	Date	Amount of security asked
#3257	7/8/27	$300
3256	7/8/27	320
4976	8/22/28	300
5130	10/5/28	355
5131	10/5/28	355
		$1630

Upon your failure to pay us said sum with- seven days from the date of this letter under the Rules and Re-ulations Relating to Arbitration (by reference incorporated in and made a part of the Standard Exhibition Contract) we will proceed to suspend service under such contracts until you have furnished such security.

Very truly yours, First National Pictures, Inc. ——
——, Manager.

MHK:D

[fol. 1966] #295

October 29, 1928.

Mr. A. Schumann, Lyric Theatre, Hartford, Conn.

DEAR MR. SCHUMANN: Because of your failure to appear to arbitrate in the controversy between you and F. B. O. Dist. Corp., submitted for arbitration as provided for in the Standard Exhibition Contract, the undersigned in accordance with the terms of the existing contracts between us hereby demands that you pay to the undersigned at the above address the sum of $134.50 for our protection and as security for the performance by you of such existing contracts as below enumerated:

Contract No.	Date	Amount of security asked
1649	April 13, 1928	$42.00
1768	May 7, 1928	92.50

Upon your failure to pay us said sum within seven days from the date of this letter, under the Rules and Regulations Relating to Arbitration (by reference incorporated in and made a part of the Standard Exhibition Contract) we will proceed to suspend service under such contracts until you have furnished such security.

Yours very truly, Pathe Exchange, Inc. —— ——,
Head Booker.

WD:AD.

[fol. 1967] #296

United Artists Corporation

Joseph M. Schenck, Chairman Board of Directors; Mary Pickford, Norma Talmadge, Gloria Swanson, Charlie Chaplin, Douglas Fairbanks, David Wark Griffith, Samuel Goldwyn.

134 Meadow Street, New Haven, Conn.

Telephone: Liberty 3222

October 29, 1928.

Mr. A. Schumann, Lyric Theatre, Hartford, Conn.

Dear Sir: Because of your failure to appear to arbitrate in the controversy between you and the F. B. O. Picture Corporation, submitted for arbitration as provided in the Standard Exhibition Contract, the undersigned in accordance with the terms of the existing contracts between us hereby demands that you pay to the undersigned at the above address the sum of $3150. for our protection and as security for the performance by you of such existing contracts, as below enumerated:

Picture	Cont. No.	Date of cont.	Amount of security asked
Devil Dancer	3313	4/13/28	$420.00
College	4513	4/13/28	315.00
Battle of Sexes	487	9/13/28	500.00
Two Lovers	1054	9/13/28	500.00
Woman Disputed	487	9/13/28	497.50
Revenge	504	9/13/28	417.50
Love Song	507	9/28/28	500.00

Upon your failure to pay us said sum within seven days from the date of this letter under the Rules and Regulations Relating to Arbitration (by reference incorporated in and made a part of the Standard Exhibition Contract) we will proceed to suspend service under such contracts until you have furnished such security.

Very truly yours, United Artists Corporation. ——

——, Office Manager.

S:

Registered.

[fol. 1968] #299

Metro-Goldwyn-Mayer Pictures

Oct. 29, 1928.

Mr. A. Schumann, Lyric Theatre, Hartford, Conn.

Dear Mr. Schumann: Because of your failure or refusal to abide by and comply with the decision or award of the Joint Board of Arbitration in the controversy between you and the F. B. O. Pictures Corporation, submitted for arbitration as provided in the Standard Exhibition Contract, the undersigned in accordance with the terms of the existing contracts between us hereby demand that you pay to the undersigned at the above address the sum of $937.00 for our protection and as security for the performance by you of such existing contracts, as below enumerated:

Contract No.	Date	Amount of security asked
3567	Oct. 4, 1927	$370.00
4207	June 25, 1928	380.00
S-498	June 25, 1928	90.00
S-501	June 25, 1928	50.00
S-547	July 25, 1928	47.00

Upon your failure to pay us said sum within seven days from the date of this letter under the Rules and Regulations Relating to Arbitration (by reference incorporated in and made a part of the Standard Exhibition Contract) we will proceed to suspend service under such contracts until you have furnished such security or complied with such decision of said Arbitration Board.

Very truly yours, J. Robert Smith, Resident Manager.

WBG-CD.

[fol. 1969] #302

Oct. 29, 1928.

Mr. A. Schumann. Lyric Theatre, Hartford, Conn.

Dear Mr. Schumann: Because of your failure or refusal to abide by and comply with the decision or award of

the Joint Board of Arbitration in the controversy between you and F. B. O. Corporation, submitted for arbitration as provided in the Standard Exhibition Contract, the undersigned in accordance with the terms of the existing contracts between us hereby demands that you pay to the undersigned at the above address, the sum of Three Thousand Five Hundred Five Dollars ($3505.00) for our protection and as security for the performance by you of such existing contracts, as below enumerated:

Contract No.	Date	Amount of security asked
=3167	July 8th, 1927	$285.00
=3168	July 8th, 1927	320.00
= 386	Aug. 22nd, 1928	500.00
= 387	Aug. 22nd, 1928	280.00
= 388	Aug. 22nd, 1928	315.00
= 389	Aug. 22nd, 1928	315.00
= 390	Aug. 22nd, 1928	395.00
= 531	Aug. 22nd, 1928	500.00
= 532	Aug. 22nd, 1928	500.00
= 392	Aug. 22nd, 1928	95.00

Upon your failure to pay us said sum within seven days from the date of this letter under the Rules and Regulations Relating to Arbitration (by reference incorporated in and made a part of the Standard Exhibition Contract), we will proceed to suspend service under such contracts until you have furnished such security or complied with such decision of said Arbitration Board.

Yours very truly, Universal Film Exchange, Inc.
—— ——, Branch Manager.

MJ:LR.

[fol. 1970] #303

Jos. A. McConville, President & Gen. Mgr. A. Montague, Treas.

New Haven Branch, 130 Meadow St., New Haven, Conn.

Tel. Colony 1145

Quality Counts

Independent Films, Inc., Member New England Film Board of Trade

New Haven, Ct., Oct. 29, 1928.

Mr. A. Schuman, Lyric Theatre, Hartford, Ct.,

DEAR MR. SCHUMAN: Because of your failure or refusal to abide by and comply with the decision or award of the Joint Board of Arbitration in the controversy between you and the Film Booking Offices submitted for arbitration as provided in the Standard Exhibition Contract, the undersigned in accordance with the terms of the existing contracts between us hereby demands that you pay to the undersigned at the above address the sum of $1465.00 for our protection and as security for the performance by you of such existing contracts, as below enumerated:

July 8, 1927	$385.00
Aug. 17, 1928	1080.00

Upon your failure to pay us said sum within seven days from the date of this letter under the Rules and Regulations Relating to Arbitration (by reference incorporated in and made a part of the Standard Exhibition Contract) we will proceed to suspend service under such contracts until you have furnished such security or complied with such decision of said Arbitration Board.

Yours very truly, Independent Films, Inc. B. Jacobs, Booker.

[fol. 1971] October 28, 1928.

Mr. A. Schumann, Lyric Theatre, Hartford, Conn.

DEAR MR. SCHUMANN: Because of your failure to appear to arbitrate in the controversy between you and F. B. O.

Corp. submitted for arbitration as provided in the Standard Exhibition Contract, the undersigned in accordance with the terms of the existing contracts between us hereby demand that you pay to the undersigned at the above address the sum of $500.00 for our protection and as security for the performance by you of such existing contracts, as below enumerated:

Contract No.	Date	Amt. of security asked
4017	6/30/28	500.00

Upon your failure to pay us said sum within seven days from the date of this letter under the Rules and Regulations Relating to Arbitration (By reference incorporated and made a part of the Standard Exhibition Contract) we will proceed to suspend service under such contracts until you have furnished such security or complied with such decision of said Arbitration Board.

Your very truly, Fox Film Corporation, Sydney Samson, Branch Manager.

DS.

Reg. Mail. Return Receipt Requested.

[fol. 1972] ≠305

Form No. 1

Board of Arbitration

Complaint

Dear Sir: We attach hereto a contract entered into with Walter Donovan exhibitor, operating the Cameo Theatre at —— in the City of West Haven, Conn.

We respectfully complain against said exhibitor as follows:

(Here insert a plain and concise statement of facts)

As we have requested payment of the following from this exhibitor on several different occasions, we wish to place this matter before the Arbitration Board for collection:

Date	Title	Amt.
Dec. 2	News #30	$7.50
3	Frontiersman	15.00
4	Fair Co-Ed	50.00
4	News #31	10.00
8	News #32	10.00
8	Big Parade	100.00
11	On Ze Boulevard	25.00
11	News #33	10.00
15	" #34	10.00
18	" #35	10.00
22	" #36	10.00
25	" #37	10.00
27	Road to Romance	45.00
29	News #38	10.00
Jan. 1	" #39	10.00
5	" #40	10.00
8	Annie Laurie	20.00
8	News #41	10.00
11	Man, Woman & Sin	20.00
12	News #42	10.00
15	Garden of Allah	20.00
15	News #43	10.00
16	Spring Fever	20.00
17	Adam & Evil	20.00
18	Foreign Devils	20.00
19	News #44	10.00
22	News # 45	10.00
26	News #46	10.00
	Total Amt. Involved	522.50

We desire you to advise the exhibitor of our claim, and if it is denied, or if the exhibitor fails to respond to your communication, or if an answer is received and it is not satisfactory to us, we desire our claim brought before the Board of Arbitration for determination.

Very truly yours, Metro-Goldwyn-Mayer Distributing Corporation, Distributor. W. A. Scully, Manager.

#39.

[fol. 1973] #307

Form No. 4

City: ——.
State: ——.
County: ——.

In the Matter of the Arbitration of METRO-GOLDWYN-MAYER, Distributor, and WALTER DONOVAN, Cameo Theatre, West Haven, Ct., Exhibitor.

We, the undersigned arbitrators, having been duly appointed to arbitrate the matters in controversy existing between the above named Distributor and Exhibitor as by the provisions of the contract between said Distributor and said Exhibitor provided (or by the conditions of their submission in writing executed by said Distributor and Exhibitor respectively and sealed with their respective seals and duly acknowledged) and after having taken the oath and after hearing the proofs and allegations of the said parties and due deliberation having been made we do hereby award, determine and order; that is to say:

(Here express in clear and precise terms the award so that nothing shall be left uncertain. The award should be final in its terms so as to terminate the controversy)

Decision rendered that judgment be given in favor of the Metro-Goldwyn-Mayer Dist. Corp., against W. Donovan operating the Cameo Theatre, West Haven, in the amount of $522.50 as per their complaint, said sum to be paid within 7 days from the date of this award.

In witness whereof we have subscribed this award this 21st day of Feb., 1928. 19

A. H. Lockwood (L. S.), J. D. Powers (L. S.), Leo Abrams (L. S.), Sydney Samson (L. S.), J. B. Fishman (L. S.), H. L. Lavietes (L. S.)

STATE OF CONNECTICUT,
County of New Haven:

On this 21st day of February, 1928 before me, a Notary Public in and for said County and State, personally ap-

peared A. H. Lockwood, J. D. Powers, Leo Abrams, Sydney Samson, J. B. Fishman, H. L. Lavietes known to me to be the individuals described in and who executed the foregoing instrument, and they duly acknowledged to me that they executed the same.

Kathryn T. Sullivan, Notary Public. My Commission expires —— —, ——. (Notarial Seal.)

[fol. 1974] #308

New Haven Film Board of Trade

For You- Confidential Information

March 7th, 1928.

Members: New Haven Film Board of Trade.

GENTLEMEN: The Joint Board of Arbitration advises us that the following exhibitor has failed to comply with arbitration awards. Under the terms of your contract relating to arbitration you are entitled to demand security in an amount not exceeding $500.00 under each existing contract with this exhibitor, the amount of security to be specified by each distributor to be based upon the actual value of any print to be delivered under your contract (figured at 4c per linear foot) plus the rental value of such print.

Second letter:

Suspension of service letter to be dated March 7th, effective immediately.

Mr. W. Donovan, Cameo Theatre, West Haven, Ct. (Pathe claim.)

Exchanges please note: Sign and return this list promperly checked to show the accounts with which you hold contracts not later than five o'clock today.

(Sign) —— —— Exchange.

Ritz Red Seal (Illegible name).
Vitagraph (Illegible initials).
Tiffany Prod. (Illegible name).
Pathe (Illegible name).
United Artists MOB

First Nat Pic (Illegible initials)
Education H.
Metro (Illegible initials).
Paramount (Illegible name).
F B O Kennedy.
Universay (Illegible initials).
Independent.
Fox Film (Illegible initials).

[fol. 1975] #309

New Haven Film Board of Trade, New Haven, Conn.

Mar. 7, 1928.

Members: New Haven Film Board of Trade.
Subject: Metro-Goldwyn-Mayer Dist. Corp. vs. W. Donovan, Cameo-W. H.; Pathe Exchange, Inc., vs. W. Donovan, Cameo-W. H.

GENTLEMEN: This is to notify you that the above named exhibitor has complied with the awards of the Arbitration Board.

Very truly yours, Film Board of Trade, —— ——,
Secretary.

Withdraw First and Second Notices.
Remove from Arbitration Information List.
Vitagraph Inc.
Ritz (Illegible name).
(Illegible Name.)
Pathe (Illegible Name).
United Artists MOB.
Educational (Illegible initials).
First Nat. Pic. (Illegible initials).
Fox Film Corp. (Illegible initials).
F B O Kennedy.
Metro-Goldwyn-Mayer C. D.
Paramount H. G.
Universal (Illegible initials)
Independent (Illegible initials).

[fol. 1976] #310

Claim Summary

Joint Board of Arbitration, New Haven, Conn.

Town: West Haven. Theatre: Cameo.

Distributor: Metro-Goldwyn-Mayer Dist. Exhibitor: W. Donovan.

Complainant: ——. Amount: $522.50.

Date: Filed, 2/14/28; First Notice, 2/14/28. Summons, 2/14/28.

Date: Award, 2/18/28; Amount, $522.50.

Date: First Letter, 2/29/28; Second Letter, 3/7/28; Suspension, ——.

How Settled: Exhibitor made part settlement to satisfaction of -veryone concerned.

Members	Contracts	Deposit	Suspension
Ritz Film Exchange	...	...	...
Red Seal Film Exchange	...	...	...
Tiffany-Stahl Prod.	...	...	...
Pathe Exchange	...	...	...
United Artists Corp.	...	...	...
First Natl. Pictures	...	...	...
Educational Film Exchange	...	...	...
Metro-Goldwyn-Mayer	...	...	...
F B O Pictures Corp.	...	...	...
Paramount Famous Lasky Corp.	...	...	...
Universal Film Exchange	...	...	...
Independent Films, Inc.	...	...	...
Fox Film Corporation	...	...	...
Vitagraph, Inc.	...	...	...

Remarks: ——.

[fol. 1977] #311

Copy

February 29, 1928.

Mr. Walter Donovan, Cameo Theatre, West Haven, Conn.

Dear Mr. Donovan: Because of your failure or refusal to abide by and comply with the decision or award of the

Joint Board of Arbitration in the controversy between you and Pathe claim submitted for arbitration as provided in the Standard Exhibition Contract, the undersigned in accordance with the terms of the existing contracts between us hereby demands that you pay to the undersigned at the above address the sum of $1722.50 for our protection and as security for the performance by you of such existing contracts, as below numerated.

Contract No.	Date	Amount of security asked
U6888	1/23/25	$257.50
625	11/30/25	275.00
622	11/30/25	280.00
623	11/30/25	285.00
2874	4/ 6/27	365.00
1600	6/25/26	260.00
		$1,722.50

Upon your failure to pay us said sum within seven days from the date of this letter under the Rules and Regulations Relating to Arbitration (by reference incorporated in and made a part of the Standard Exhibition Contract) we will proceed to suspend service under such contracts until you have furnished such security or complied with such decision of said Arbitration Board.

Very truly yours, First National Pictures, Inc.
—— ——, Manager.

MHK:D.

[fol. 1978] #314

February 29, 1928.

Mr. W. Donovan, Cameo Theatre, West Haven, Conn.

DEAR MR. DONOVAN: Because of your failure or refusal to abide by and comply with the decision or award of the Joint Board of Arbitration in the controversy between you and Pathe Exchange submitted for arbitration as provided in the Standard Exhibition Contract, the undersigned in accordance with the terms of the existing contracts between us hereby demand that you pay to the undersigned at the

above address, the sum of $510.00 for our protection and as security for the performance by you of such existing contracts as below enumerated.

Contract No.	Date	Amount security
	2/10/27	252.50
21	7/28/27	257.50

Upon your failure to pay us said sum within seven days from the date of this letter under the Rules and Regulations Relating to Arbitration (by reference incorporated in and made a part of the Standard Exhibition Contract) we will proceed to suspend service under such contracts until you have furnished such security or complied with such decisions of said Arbitration Board.

Very truly yours, Tiffany-Stahl Productions. ——
——, Branch Manager.

FHS.
Registered Mail.

[fol. 1979] #315

February 29, 1928.

Mr. Walter Donovan, Cameo Theatre, West Haven, Conn.

DEAR SIR: Because of your failure or refusal to abide by and comply with the decision or award of the Joint Board of Arbitration in the controversy between you and Pathe submitted for arbitration as provided in the Standard Exhibition Contract, the undersigned in accordance with the terms of the existing contracts between us hereby demand that you pay to the undersigned at the above address the sum of $4475.00 for our protection and as security for the performance by you of such existing contracts, as below enumerated:

Contract No.	Date	Amount of security asked
1304	Dec. 12, 1927	$450.00
2005	"	395.00
2234	"	395.00
1215	"	355.00
2217	"	395.00
2306	"	345.00
2651	"	265.00

Contract No.	Date	Amount of security asked
1072	"	355.00
1301	"	395.00
1194	"	435.00
5930	"	335.00
1444	"	355.00

Upon your failure to pay us said sum within seven days from the date of this letter under Rules and Regulations Relating to Arbitration (by reference incorporated in and made a part of the Standard Exhibition Contract) we will proceed to suspend service under such contracts until you have furnished such security or complied with such decision of said Arbitration Board.

Yours very truly, United Artists Corporation. ——
——, Office Manager.

S.
Registered.

[fol. 1980] #317

Feb. 29, 1928.

Mr. W. Donovan, Cameo Theatre, West Haven, Conn.

DEAR MR. DONOVAN: Because of your failure or refusal to abide by and comply with the decision or award of the Joint Board of Arbitration in the controversy between you and the Metro-Goldwyn-Mayer Dist. Corp., submitted for arbitration as provided in the Standard Exhibition Contract, the undersigned in accordance with the terms of the existing contracts between us hereby demand that you pay to the undersigned at the above address the sum of $570.00 for our protection and as security for the performance by you of such existing contracts, as below enumerated:

Contract No.	Date	Amount of security asked
3854	Jan. 18, 1928	$485.00
S-169	Nov. 1, 1927	85.00

Upon your failure to pay us said sum within seven days from the date of this letter under the Rules and Regulations Relating to Arbitration (by reference incorporated in and made a part of the Standard Exhibition Contract) we will proceed to suspend service under such contracts until you

have furnished such security or complied with such decision of said Arbitration Board.

Yours very truly, W. A. Scully, Branch Manager.

WBG-CD.

[fol. 1981] #319

Feb. 29, 1928.

Mr. Walter Donovan, Cameo Theatre, West Haven, Conn.

DEAR MR. DONOVAN: Because of your failure or refusal to comply with and abide by the decision of the Joint Board of Arbitration in the controversy between you and Pathe Exchange, Inc., submitted for arbitration as provided for in the Standard Exhibition Contract, the undersigned in accordance with the terms of the existing contracts between us hereby demands that you pay to the undersigned at the above address the sum of $1346.50 for our protection and as security for the performance by you of such existing contracts, as below enumerated:

Contract No.	Date	Amount of security asked
1169	Jan. 23, 1928	$84.00
701	Dec. 6, 1927	130.00
L-124	" " "	252.50
870	" " "	210.00
872	" " "	290.00
869	" " "	292.50
358	July 21, 1926	87.50

Upon your failure to pay us said sum within seven days from the date of this letter under the Rules and Regulations Relating to Arbitration (by reference incorporated in and made a part of the Standard Exhibition Contract) we will proceed to suspend service under such contracts until you have furnished such security or complied with such decision of said Arbitration Board.

Yours very truly, Pathe Exchange, Inc. —— ——, Head Booker.

WC:AD.

[fol. 1982] #325

February 29th, 1928.

Mr. W. Donovan, Cameo Theatre, West Haven, Conn.

DEAR MR. DONOVAN: Because of your failure or refusal to abide by and comply with the decision or award of the Joint Board of Arbitration in the controversy between you and Pathe, submitted for arbitration as provided in the Standard Exhibition Contract, the undersigned in accordance with the terms of the existing contracts between us hereby demands that you pay to the undersigned at the above address, the sum of five hundred twenty-three dollars ($523.00) for our protection and as security for the performance by you of such existing contracts, as below enumerated:

Contract No.	Date	Amount of security asked
#1685	July 7th, 1926	$305.00
#1743	July 14th, 1926	87.50
#3989	Jan. 6th, 1928	42.50
# 551	Jan. 6th, 1928	88.00

Upon your failure to pay us said sum within seven days from the date of this letter under the Rules and Regulations Relating to Arbitration (by reference incorporated in and made a part of the Standard Exhibition Contract) we will proceed to suspend service under such contracts until you have furnished such security or complied with such decision of said Arbitration Board.

Yours very truly, Universal Film Exchange, Inc.,
—— ——, Branch Manager.

LA/A.

[fol. 1983] #329

February 29, 1928.

Mr. Walter Donovan, Cameo Theatre, West Haven, Conn.

DEAR MR. DONOVAN: Because of your failure or refusal to abide by and comply with the decision or award of the Joint Board of Arbitration in the controversy between you and (Metro-Goldwyn-Mayer) submitted for arbitration as provided in the Standard Exhibition Contract, the undersigned in accordance with the terms of the existing contracts be-

tween us hereby demand that you pay to the undersigned at the above address the sum of $1135.00) for our protection and as security for the performance by you of such existing contracts as below enumerated:

Contract No.	Date	Amount of security asked
34	March 22, 1927	$85.00
5004-A	Nov. 19, 1927	252.50
6004-A	" 19, 1927	297.50
9004-A	" 19, 1927	500.00

Upon your failure to pay us said sum within seven days from the date of this letter under the Rules and Regulations Relating to Arbitration (by reference incorporated in and made a part of the Standard Exhibition Contract) we will proceed to suspend service under such contract until you have furnished such security or complied with such decision of said Arbitration Board.

Your very truly, Fox Film Corporation. Sydney Samson, Branch Manager.

[fol. 1984] Made in U. S. A. Joy for Everybody—Everywhere. Fox Anniversary Week, January 22-28, Inclusive. Fox Film Corporation, 114 Meadow Street, New Haven, Conn.

[fol. 1985] #354

Board of Arbitration. Form No. 1

Complaint

2/8/28

Dear Sir:

We attach hereto a contract entered into with Frank DeJack exhibitor, operating the Lyceum Theatre at New Britain in the *City* of Conn.

We respectfully complain against said exhibitor as follows:

(Here insert a plain and concise statement of facts)

Exhibitor accepted and used the following advertising material under contracts dated Nov. 22 and Dec. 13, 1927

without payment of the charges in advance, and has paid no attention to our many requests for payment.

Tell It to Sweeney-12/25-28/27		Last Waltz-11/26-29/27	
8-8x10 pub. Photos	.80	10-8/10 pub. Photos	$1.00
4-2 col mats	.40		
2-2 col sup. mats	.20		
	$1.40		

Exhibitor is therefor indebted to us in the amount of $2.40.

We desire you to advise the exhibitor of our claim, and if it is denied, or if the exhibitor fails to respond to your communciation, or if an answer is received and it is not satisfactory to us, we desire our claim brought before the Board of Arbitration for determination.

Very truly yours, Paramount Famous Lasky Corporation, Distributor, J. B. Bonds, Manager. #32.

[fol. 1986] #355

Form No. 4

City: ——.
State: ——.
County: ——.

In the Matter of the Arbitration of Paramount Fam. Lasky, Distributor, and F. DeJack, Lyceum, New Britain, Exhibitor

We, the undersigned arbitrators, having been duly appointed to arbitrate the matters in controversy existing between the above named Distributor and Exhibitor as by the provisions of the contract between said Distributor and said Exhibitor provided (or by conditions of their submission in writing executed by said Distributor and Exhibitor respectively and sealed with their respective seals and duly acknowledged) and after having taken the oath and after hearing the proofs and allegations of the said parties and due deliberation having been made we do hereby award, determine and order; that is to say:

(Here express in clear and precise terms the award so that nothing shall be left uncertain. The award should be final in its terms so as to terminate the controversy.)

Decision rendered in favor of the exchange in the amount of $2.40 to be paid within 7 days.

In witness whereof we have subscribed this award this 21st day of Feb. 1928. 19

Sydney Samson (L. S.), F. H. Abrams (L. S.), W. A. Scully (L.S.), Jos. Fishman (L.S.), F. C. Samietes (L. S.), A. M. Lockwood (L. S.).

STATE OF ——,
County of ——:

On this — day of ——, 1922, before me, a Notary Public in and for said County and State, personally appeared —— ——, known to me to be the individuals described in and who executed the foregoing instrument, and they duly acknowledged to me that they executed the same.

—— ——, Notary Public. My Commission expires —— —, ——.

[fol. 1987] #356

New Haven Film Board of Trade, New Haven, Connecticut.

(For Your Confidential Information)

March 2nd, 1928.

Members New Haven Film Board of Trade.

GENTLEMEN: The Joint Board of Arbitration advises us that the following exhibitor has failed to comply with arbitration awards. Under the terms of your contract relating to arbitration you are entitled to demand security in an amount not exceeding $500.00 under each existing contract with this exhibitor, the amount of security to be specified by each distributor to be based upon the actual value of any print to be delivered under your contract (figured at 4¢ per linear foot) plus their rental value of such print.

First letter, to be dated March 2nd, effective March 9th, 1928. Mr. F. DeJack, Lyceum Theatre, New Britain, Ct., Paramount Claim.

Exchanges please note: Sign and return this list properly checked to show the accounts with which you hold contracts not later than five o'clock today.

(illegible name)
Metro—(illegible initial)

F B O—Kennedy
Paramount (illegible initial)
Independent (illegible initial)
Tiffany Productions (illegible initial)
Ritz (illegible initial)
Pathe (illegible initial)
Sydney Samson
United Artists MOB
First Natl Pict. (illegible initial)
S Lee Warner Bros.

[fol. 1988] #357

New Haven Film Board of Trade

(For Your Confidential Information)

Date: April 4, 1928.

Members New Haven Film Board of Trade, Boston Film Board of Trade.

GENTLEMEN: The Joint Board of Arbitration advises us that the following exhibitors have failed to comply with arbitration awards. Under the terms of your contract relating to arbitration you are entitled to demand security in an amount not exceeding $500.00 under each existing contract with this exhibitor, the amount of security to be specified by each distributor to be based upon the actual value of any print to be delivered under your contract, (figured at 4¢ per linear foot) plus the rental value of such print.

First letter, to be dated ——, effective ——.

Second letter, to be dated April 4th, 1928, effective immediately. W. Donovan, Cameo Theatre, West Haven, Ct., (Paramount claim). F. DeJack, Garden Theatre, Waterbury, Ct., (Paramount claim).

Exchanges please note: Sign and return this list properly checked to the Secretary of the Film Board of Trade to show the accounts with which you hold contracts not later than five o'clock today.

(Sign.) (illegible), Exchange.

[fol. 1989] (Illegible named) Ritz Red Seal.
(Illegible named) Tiffany Stahl
Pathe (illegible name).

United Artists MOB.
First Nat'l. (illegible initials).
Educational H.
Metro (illegible initials).
F B O (illegible initials).
Paramount (illegible initials).
Universal (illegible initials).
Independent (illegible initials).
Warner (illegible initials).
Fox (illegible initials).

[fol. 1990] #358

Claim Summary

Joint Board of Arbitration, New Haven, Conn.

Town: New Britain. Theatre: Lyceum. Distributor: Paramount. Exhibitor: F. Dejack. Complainant: ——. Amount: $2.40. Date: Filed, 2/8/28; First Notice, 2/8/28; Summons, 2/8/28. Date: Award, 2/21/28; Amount, $2.40. Date: First Letter, 2/29/28; Second Letter, 3/7/28; Suspension, ——. How settled: Exhibitor sent in check in settlement immediately after second letter was sent.

Members	Contracts	Deposit	Suspension
Ritz Film Exchange	...	...	...
Red Seal Film Exchange	...	...	...
Tiffany-Stahl Prod.	...	...	...
Pathe Exchange	...	...	...
United Artists Corp.	...	...	...
First Natl. Pictures	...	...	...
Educational Film Exchange	...	...	...
Metro--Goldwyn-Mayer	...	...	...
F B O Pictures Corp.	...	...	...
Paramount Famous Lasky Corp.	...	...	...
Universal Film Exchange	...	...	...
Independent Films, Inc.	...	...	...
Fox Film Corporation	...	...	...
Vitagraph, Inc.	...	...	...

Remarks: ——.

[fol. 1991] 385

City: ——.
State: ——.
County: ——.

In the Matter of the Arbitration of F B O Pictures Corp., Distributor, and Mr. J. Nejime. Breed Theatre, Norwich, Ct., Exhibitor.

We, the undersigned arbitrators, having been duly appointed to arbitrate the matters in controversy existing between the above named Distributor and Exhibitor as by the provisions of the contract between said Distributor and said Exhibitor provided (or by the conditions of their submission in writing executed by said Distributor and Exhibitor respectively and sealed with their respective seals and duly acknowledged) and after having taken the oath and after hearing the proofs and allegations of the said parties and due deliberation having been made we do hereby award, determine and order; that is to say: (Here express in clear and precise terms the award so that nothing shall be left uncertain. The award should be final in its terms so as to terminate the controversy.)

I, therefore, find that because of the Exhibitor's breach, the plaintiff herein is entitled to a judgment for the amount of its claim, namely $392.50, and I further recommend to the plaintiff herein, that as a matter of courtesy, it grant the Exhibitor new dates for the pictures which have been assigned to him.

In witness whereof we have subscribed this award this 3rd day of Mar. 1928.

—— —— (L. S.), —— —— (L. S.), —— —— (L. S.), —— —— (L. S.), —— —— (L. S.), —— —— (L. S.).

State of ——,
County of ——:

On this — day of ——, 192-, before me, a Notary Public in and for said County and State, personally appeared —— ——, known to me to be the individuals described in

and who executed the foregoing instrument, and they duly acknowledged to me that they executed the same.

—— ——, Notary Public. My Commission expires —— —, ——.

[fol. 1992] 386

Suchman & Samuels, Counselors at Law

1560 Broadway, New York

Phone 7954, 7955 Bryant

Leon Samuels,
Harry Suchman.

In the Matter of F. B. O. Pictures Corp., vs. J Nejime, Breed Theatre, Norwich, Connecticut.

This is an action brought by the F. B. O. Pictures Corp. against the Breed Theatre for breach of contract, in that it failed to lift the following pictures on the dates assigned to it by the Exchange.

Judgment of the Hills	Jan. 22-25, 1928	$150 00
Beauty Parlor #2	Jan. 19-21, 1928	10 00
The Gingham Girl	Jan. 15-18, 1928	150 00
Moment of Temptation	Jan. 19-21, 1928	62 50
Beauty Parlor #1	Jan. 15-18, 1928	10 00
Beauty Parlor #4	Jan. 22-25, 1928	10 00
Totalling		$392 50

There was no dispute as to the validity of the contract nor as to the right of the Distributor thereunder to assign dates for the pictures contained in the contract in accordance with the terms thereof.

It was the unanimous opinion of the arbitrators at the original hearing of this matter, that there was a breach of contract on the part of the Exhibitor and that the Exchange was entitled to the amount of money claimed by it to be due, namely, $392.50. The deadlock of the arbitrators was due to that portion of the decision which read, "that the exhibitor be allowed to book the pictures at any reasonable time."

The only reason the Exchange is entitled to payment of the sum sued for, is if there has been a breach of contract on the part of the Exhibitor and if the Exchange has done everything with respect to the pictures upon which this complaint is based, that it has been required to do under the terms of this contract. Since this question has not been raised, I am obliged to assume that the Exchange has lived up to its part of the contract and that the Exhibitor upon failing to lift the pictures on the dates designated, has breached its contract and thus he is not entitled as a matter of right, to new dates on these pictures.

However, it is the custom of all Home Offices as I have been advised by representatives of the Distributors in the New York territory, that the Home Offices do not favor the [fol. 1993] receipt of money for service which was not rendered. Therefore, in cases of this nature as a matter of courtesy, the Exchange always gives new dates to the Exhibitor at his request. But, there is this difference: that when the new dates are accepted as a matter of courtesy on the part of the Exchange, it can in no way be interpreted as a right which the Exhibitor can demand.

We have had cases of this nature on our calendar practically every week and we dispose of them without any difficulty by incorporating in our decision, a recommendation from the Board to the Exchange, that if the Exhibitor desires to play these pictures, that his dates be accepted by the Exchange. We feel that the Exchange does not unnecessarily wish to burden the Exhibitor by compelling him to pay for something from which he derives no benefit, and the attitude of the Exchanges displayed by the spirit in which such recommendations have been carried out, has demonstrated to us that we have been right in our assumption.

I therefore find that because of the Exhibitor's breach, the plaintiff herein is entitled to a judgment for the amount of its claim, namely, $392.50 and I further recommend to the plaintiff herein, that as a matter of courtesy, it grant the Exhibitor new dates for the pictures which have been assigned to him.

Dated, New York, March 3rd, 1928.

Harry Suchman.

[fols. 1994-2007] 387

Claim Summary

Joint Board of Arbitration, New Haven, Conn.

Town: Norwich. Theatre: Breed. Distributor: F. B. O. Exhibitor: J. Nejime. Complainant: ——. Amount: $392.50. Date: Filed 1/19/28; First Notice, 1/19/28; Summons, ——. Date: Award, 3/3/28; Amount, $392.50. Date: First letter, 3/15/28; Second Letter, None; Suspension, ——. How settled: ——.

Complied before suspension letter sent by check.

Members	Contracts	Deposit	Suspension
Ritz-Film Exchange	...	...	...
Red Seal Film Exchange	...	...	...
Tiffany-Stahl Prod.	...	...	...
Pathe Exchange	...	...	...
United Artists Corp.	...	...	...
First Natl. Pictures	...	...	...
Educational Film Exchange	...	...	...
Metro-Goldwyn-Mayer	...	...	...
F B O Pictures Corp.	...	...	...
Paramount Famous Lasky Corp.	...	...	...
Universal Film Exchange	...	...	...
Independent Films, Inc.	...	...	...
Fox Film Corporation	...	...	...
Vitagraph, Inc.	...	...	...

Remarks: ——.

[fol. 2008] GOVERNMENT EXHIBIT 30

Philadelphia Film Board of Trade Arbitration Case

[fol. 2009] Ex. 300

Meeting of the Joint Board of Arbitration Held Tuesday, November 22nd, 1927, at 2:00 P. M., 1337 Vine Street, Phila.

Mr. S. Wittman, Chairman.

Case: #1 F. B. O. Pictures Corporation vs. C. D. Buss, Strand, Easton, Pa.

Mr. J. H. Greenberg acted as Secretary in this case.

Committees: Distributors, Applegate, Weiner, and Neufeld; Exhibitors, Perlin, Power and C. F. Kline.

This case was continued from November 15, 1927.

Claim: Distributor advised that he held contract with the exhibitor dated August 12, 1926, for twenty-four feature productions and eighteen two reel pictures. Up to this time, the exhibitor had played fourteen features and sixteen two reel comedies; the last feature picture having been played on September 22nd, 23rd, and 24th, and the last two reel subject played on October 27th, 28th and 29th, 1927. The distributor advised that they had written to the exhibitor numerous times, informing him of the availability of the pictures, and requested dates. Having failed to receive any response to their numerous demands for dates, on September 8, 1927, they notified the exhibitor by registered mail that dates had been assigned as follows: October 3rd, 4th, and 5th "Red Hot Hoofs," October 10th, 11th and 12th, "Her Father Said No," October 10th, 11th and 12th "Wise Cracker." October 17th, 18th and 19th "Cyclone of the Range," October 17th, 18th and 19th "Wise Cracker." Oct. 24th, 25th and 26th "Splitting the Breeze," On October 31st, November 1st and 2nd "Mother," November 7th, 8th, and 9th, "Tom's Gang." The rental price on the above pictures was $1200.00, and the distributor made claim for that amount.

Defense: The exhibitor was present, and advised that a letter had been received from the distributor that service had been suspended under this contract. The exhibitor, therefore, questioned the right of the distributor to demand payment for pictures after service had been suspended. It was found that the letter suspending service had been sent to the exhibitor on October 19th, and that inasmuch as only $600.00 worth of pictures had been refused prior to that date, the exhibitor advised that they would defend this case in the amount of $600.00 instead of $1200.00. It was afterwards found that this was an error, and that the letter suspending service was mailed out on November 2nd, and the distributor, therefore, asked that the claim be based on the pictures which had been refused prior to the date that service had been suspended. The exhibitor introduced his contract, and called attention to the protection clause

contained therein, which provided that the pictures were to be played first run in Easton, and further "That these shows were not to be sold or played at the Fourth Street Theatre in Easton until the entire contract had been played in its entirety." The exhibitor noted that on June 13th, the picture "Bigger Than Barnum" was advertised to be played at the Fourth Street Theatre, and called that to the [fol.2010] attention of the distributor by letter, and verbally. However, nothing was done by the distributor in the the matter. The exhibitor further contended that at no time did he grant the distributor any permission, either by letter or verbally to sell or to play any of the pictures included in that contract to the Fourth Street Theatre. The exhibitor called attention to the fact that since June 13th, ten other pictures which were included in his contract, had been played at the Fourth Street Theatre. The exhibitor was asked by the Board if he had a copy of the letter written to the distributor in June, notifying them that the pictures were being exhibited at the Fourth Street Theatre, to which the exhibitor replied that he kept no copies of letters written by him.

The distributor advised that the first intimation that they had that the exhibitor objected to the Fourth Street Theatre playing the picture was when they received a letter from the exhibitor dated September 9th. The distributor introduced said letter for evidence and read same to the Board, which stated that the exhibitor had no intention to refuse to play the pictures under said contract. The distributor admitted that certain pictures under the contract had played at the Fourth Street Theatre, but these were played at the Fourth Street theatre eight or nine months after they had been exhibited at the Strand Theatre. The distributor advised that their Mr. Rosen had called on the exhibitor operating the Fourth Street Theatre, Easton, Pa., numerous times, in an endeavor to sell him pictures which had not been contracted for by the Strand Theatre, but the Fourth Street exhibitor refused to buy said pictures unless they would include in said sale, the Fred Thompson pictures which were in the contract in dispute. Rosen having sold the contract to the Strand Theatre, knew of the existing clause, and would, therefore, not sell the Fourth Street any of the pictures included therein.

Later, Mr. Rosen went to see Mr. Buss, and secured his permission to sell some of the pictures in said contract to the Fourth Street Theatre. Mr. Rosen, in his dealings with Mr. Buss, always found him honorable, and did not consider it necessary to secure his consent in writing. The distributor called attention to the fact that the year previous, they had sold the exhibitor a contract containing the same clause, and that subsequently he had given them verbal permission to sell the pictures to the Fourth Street Theatre, and that there had never been any objection. The distributor advised that they were ready to have their Mr. Rosen testify to the fact that permission had been granted him by Mr. Buss to sell the Fourth Street Theatre. The distributor further called attention to the fact that the exhibitor apparently did not object to the Fourth Street Theatre playing these pictures, because he had since then exhibited both features and short subjects.

The exhibitor raised objection to the introduction of any evidence based on any verbal statements made by either party. The exhibitor contended that they were the aggrieved parties in this matter, and that they had any one of three remedies to offer: First, that they were within their rights in claiming damages for the breach of contract. Second: They could refuse to play any pictures under [fol. 2011] said contract. Third: They could elect to play any pictures in said contract without waiving their rights on said breach. The exhibitor further called attention to the fact that the contract contained a proviso that if any pictures included therein were a series, featuring a particular star they should not be required to exhibit more than one picture every five weeks. The dates as assigned by the distributor contained four pictures featuring Tom Tyler, at the rate of one each week, and as this was contrary to the terms of the contract, the claim covering more than one Tyler could not be allowed. The exhibitor asked the Board to render their award on the contract itself, and that they do not consider any verbal statements or agreements as part of the contract.

The Board then went into session, and after discussion, decided to have Mr. Rosen testify. Mr. Rosen was called before the Board, and advised that he would be willing to swear that Mr. Buss had given him permission to sell

the pictures to the Fourth Street Theatre, prior to the completion of said contract, and that from his former dealings with Mr. Buss, he did not deem it necessary to secure a written consent.

This statement was denied by Mr. Buss, who claimed that at not time had he given Mr. Rosen or anyone else, permission to sell the pictures to the Fourth Street Theatre.

Decision: This board finds that the exhibitor has submitted no evidence to support his statement that he notified the distributor during the month of June, 1927, that the contract dated August 12, 1926 had been violated by the distributor. It has also been noted by this Board that the exhibitor's letter of September 9, 1927, advised the distributor of the exhibitor's intention not to refuse to play the pictures under said contract.

This Board, therefore, decides that the exhibitor be required to pay to the distributor within seven days from the date hereof, the sum of six hundred dollars, covering the rental of the following pictures:

Oct. 3rd, 4th, and 5th, "Red Hot Hoofs"	$150.00
Oct. 10th, 11th, and 12th Wise Cracker Series	50.00
Oct. 10th, 11th, and 12th "Her Father Said No"	150.00
Oct. 17th, 18th, and 19th Wise Cracker Series	50.00
Oct. 31st, Nov. 1st and 2nd "Mother"	200.00
Total	$600.00

Payment of this amount will give the exhibitor the privilege of playing these pictures at any future date without further charge.

Upon the failure of the exhibitor to fully comply with this award within seven days from the date hereof, the sum of five hundred dollars is hereby fixed as the maximum amount which each distributor, a member of the Film Board of Trade of Philadelphia, having contracts with the exhibitor, may demand pursuant to the provisions of the arbitration clause contained therein as security for the performance by the exhibitor of each such contract.

Respectfully submitted.

[fol. 2012] Ex. 304

Twin City Theatre Co., Inc., Strand Theatre, Easton, Pa.

Nov. 30, 1927.

Mr. J. H. Greenberg, Sec. Board of Trade, 1335 Vine St., Phila. Pa.

Dear Sir: On Friday Nov., 25th., the writer settled the Fox case against the Strand theatre and Mr. Moss was to advise the Board the case was settled. Up to this writing I hav'nt had any notice from you that the case is settled. This is urgently requested by our Attorney and by our Auditors. Our deposits have not been returned to us either. However we are not as much concerned about our deposits as we are about a letter from you stating the case is settled.

Now, don't write me and state, the matter was held up pending our actions in the F. B. O. case. This is entirely separate case and must be treated as such. Wtihout a doubt there will be a great deal of trouble about the F. B. O. matter and we can't allow anything concerning the Fox matter mingle with the F. B. O. case.

Going over the "decision" (F. B. O.) against us, I notice that F. B. O. has included the Wisecracker Series. We have never refused to play these pictures and they are not on the contract in dispute. On Nov. 1st, F. B. O. advised us our service is suspended. On Nov. 10th, they confirmed a booking of a two reel subject to us, but did not ship it. I suppose I should bring a case against them for non-shipment of film. Perhaps I will.

Respectfully, (Sgd.) C. D. Buss.

[fol. 2013] Ex. 305

December 1, 1927.

Mr. C. D. Buss, Strand Theatre, Easton, Pa.

Dear Mr. Buss: I have your letter of November 30th. Mr. Moss, of the Fox Film Corporation, did notify us on November 25th that their claim against you had been settled, and that you had therefore complied with the Arbitration Board award. The writer promptly notified the

members of this Board that you had complied with the Arbitration Board award, which was all that it was necessary for this office to do. It is not the usual procedure for this office to write to the exhibitor to inform him that the award has been satisfied, as the exhibitor usually knows that by the fact that service is reinstated by the members who suspended service. The matter was not held up in any manner because of your failure to comply with the award rendered in favor of F. B. O. Pictures Corporation.

Your are correct in your statement that one claim has nothing whatever to do with the other. You were given until Tuesday, November 29th, to comply with the award rendered against you in favor of F. B. O. Pictures Corporation, and upon your failure to comply with the said award, we notified the members of this Board that you had failed to comply with an award rendered against you.

With regards to the deposit placed by you with the distributor members of this Board, with whom you hold con- [fol. 2014] tracts, and in accordance with their demand for such deposits, please be informed that the distributor is not required to return your deposit until the contract is completed in its entirety, unless said distributor chooses to do so after you have complied with the Arbitration Board Award. This probably accounts for your deposit not being returned.

With regard to the award rendered against you in favor of F. B. O. Pictures Corporation, which included the Wise Cracker Series, this was part of their claim, and if you objected to this being included in their claim you should have so stated at the time that the case was presented before the Board of Arbitration.

With regard to F. B. O. confirming the play date of one of the two reel subjects after they had written you suspending service under their contracts, we believe this to have been an error on the part of their booker. If you feel inclined to file a claim against them, for failure to make shipment, you are at liberty to do so.

Yours very truly, Film Board of Trade. —— ——,
Secretary.

JG. D.

[fol. 2015] Ex. 306

Twin City Theatre Co., Inc., Strand Theatre, Easton, Pa.

Dec. 3rd, 1927.

Film Board of Trade, 1337 Vine St., Phila. Pa.

Attention of Mr. J. H. Greenberg, Sec.

My Dear Sir: I have yours of the 1st., and am entirely satisfied with your explanations, even though several are new to me. However, I make no objections.

Please refer to your fourth paragraph. We did object to the Wise Crackers being included in the F. B. O. claim, we were perfectly willing to play them, in fact I believe they took out one because of the Fox case. The contract offered as evidence or in question did not contain the Wisecrackers. I have other evidence to offer at the proper time. It was my plan to learn whether the Film Board of Arbitration Board would follow the contents of a contract. I learned that they did not in the F. B. O. case, so what good would any evidence have done. This F. B. O. case has brought to my mind very forcibly certain facts, that I have been told many times, and our case will no doubt prove to be a very good test case at the proper time.

I still think you or your board should have notified us that the Fox case had been withdrawn. Our Attorneys think so also. However if this is not the rule with your Board, we again bow to the rules and regulations of the Arbitration Board.

Respectfully, (Sgd.) C. D. Buss.

[fols. 2016 & 2017] Government Exhibit 31

Boston Film Board of Trade Arbitration Case

[fol. 2018] Form No. 1

Claimant's Copy

Complaint

Dear Sir: We attach hereto a contract entered into with F. W. Marshall, exhibitor, operating the Town Hall Theatre at Maine in the City of York Village.

We respectfully complain against said exhibitor as follows:

(Here insert a plain and concise statement of facts.)

We desire to enter a complaint against the Town Hall Theatre, York Village, Maine, because of their failure to live up to a contract which they signed with us April 12th, 1927.

Their failure to begin October 1st, is not entirely their fault because we were not in a position to serve them starting with that date owing to the fact that they marred their credit with one of our Credit Association members.

Therefore, in his particular case what we now seek is a starting date on which this contract can begin and which should be immediately following the contract which they are now completing with one of the other exchanges for whom we held up this contract.

Please let us know the date for which this case is scheduled.

We desire you to advise the exhibitor of our claim, and if it is denied, or of the exhibitor fails to respond to your communication, or if an answer is received and it is not satisfactory to us, we desire our claim brought before the Board of Arbitration for determination.

Very truly yours, American Feature Film Co., Distributor. M. E. Morey, M. E. Morey, Manager.

[fol. 2019] Film Board of Trade

204 Stuart St., Boston, Mass.

January 3, 1928.

Mr. F. W. Marshall, Town Hall, York Hall, York Village, Maine.

Dear Sir: The American Feature Film Co., Distributor, makes a claim against you alleging the following facts:

You have breached a contract dated April 12, 1927 signed with the American Feature Film Company. They now request a starting date on which this contract can begin and which should be immediately following the contract which you are now completing with one of the other exchanges for whom they held up this contract. (Copy of complaint attached.

Please be advised that this complaint will be presented to the Joint Board of Arbitration for their consideration on Friday, January 13th at two o'clock this address.

Please answer at your earliest convenience if the facts claimed by the Distributor are true. If you dispute the facts of any of them, then make a plain and concise statement of the facts as you claim them to exist.

It is extremely important that we hear from you at your very earliest convenience.

Very truly yours, Film Board of Trade, —— ——, Secretary.

[fol. 2020] City: Boston.
State: Massachusetts.
County: Suffolk.

In the Matter of the Arbitration of AMERICAN FEATURE FILM, Distributor, and F. W. MARSHALL, Town Hall, York Village, Me., Exhibitor.

M. N. Wolf, chairman.
Motion by S. Sumner, seconded by C. M. Crawford.
Exhibitor not present.

We, the undersigned arbitrators, having been duly appointed to arbitrate the matters in controversy existing between the above named Distributor and Exhibitor as by the provisions of the contract between said Distributor and said Exhibitor provided (or by the conditions of their submission in writing executed by said Distributor and Exhibitor respectively and sealed with their respective seals and duly acknowledged) and after having taken the oath and after hearing the proofs and allegations of the said parties and due deliberation having been made we do hereby award, determine and order; that is to say:

(Here express in clear and precise terms the award so that nothing shall be left uncertain. The award should be final in its terms so as to terminate the controversy.)

"Unanimous decision that the Joint Board of Arbitration finds that contract is valid and that exhibitor is obligated thereto. The Board orders that exhibitor make arrangements satisfactory with the American Feature Film

Company liquidating this contract. These arrangements must be completed before February 1, 1928."

Upon the failure of the exhibitor to fully comply with this award within seven days from the date thereof the sum of $250.00 is hereby fixed as the maximum amount which each distributor a member of the Film Board of Trade having a contract with the exhibitor may demand pursuant to the provisions of the Arbitration Clause contained therein as security for the performance by the exhibitor of each such contract.

In witness whereof we have subscribed this award this 13th day of Jan. 1928.

[fol. 2021] C. M. Crawford (L. S.), W. H. Erbb (L. S.), R. C. Cropper (L. S.), C. G. Holmes (L. S.), W. B. Littlefield (L S)

STATE OF MASSACHUSETTS,
County of Suffolk:

On this 13th day of January, 1928, before me, a Notary Public in and for said County and State, personally appeared C. M. Crawford, W. H. Erbb, R. C. Cropper, S. Sumner, C. H. Homes, W. B. Littlefield, known to me to be the individuals described in and who executed the foregoing instrument, and they duly acknowledge to me that they executed the same.

Martha W. Ferris, Notary Public. My Commission expires February 11, 1932.

(Here follow photostats marked side folio pages 2022 & 2023 and 2024 & 2025)

[fol. 2026] #2

Board of Arbitration

Complaint

Portland, July 20, 1928.

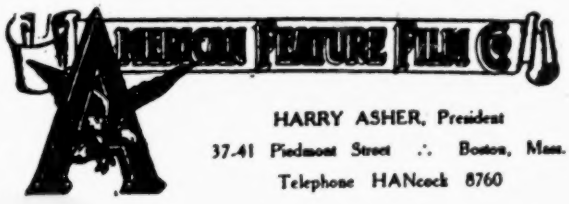
DEAR SIR: We attach hereto a contract entered into with L. P. Gorman, exhibitor, operating the Maine Theatre at —— in the City of Portland, Maine.

BOOKING CONTRACT

Portland, Me.

ORIGINAL—DISTRIBUTOR'S COPY — Branch

POPULATION .....
SEATING CAPACITY .....
ADMISSION .....
SALESMAN J.H.Curran.
RUN 1st.
PROTECTION .....



HARRY ASHER, President
37-41 Piedmont Street ∴ Boston, Mass.
Telephone HANcock 8760

BRANCH OFFICES
388 CONGRESS STREET, PORTLAND, MAINE
134 MEADOW STREET, NEW HAVEN, CONN.

5A

AGREEMENT, made in Quadruplicate this 12th. day of April 19 27, between

AMERICAN FEATURE FILM COMPANY a corporation (hereinafter called "the Distributor"), party of the first part, and.....
F.W.Marshall TREAS. YORK VILLAGE FIRE DEPARTMENT.....
an exhibitor operating the Town Hall Theatre, No..... Street.....
City York Village. State Maine. (hereinafter called "the Exhibitor"), party of the second part;

WITNESSETH: The parties hereto agree as follows:

WARRANTY AS TO FORM

FIRST: The Distributor warrants that there is contained herein all of the numbered Articles of the "Standard Exhibition Contract" filed with the Motion Picture Producers & Distributors of America, Inc., identified by the signature of its President on the 1st day of March, 1926. Articles First A, Second A and Twenty-third hereof are in addition thereto.

(a) In case this contract shall be for a brand or series of motion picture subjects to be released regularly at semi-weekly, weekly, bi-weekly or monthly intervals, and the letters "S. O." which shall be construed as "Standing Order," shall be stamped or written in the schedule on the face of this contract, this contract shall run as to each such brand or series for a period of one year commencing with the starting date of the first picture of such brand or series and shall automatically renew itself and continue in force for a further term of one year and from year to year thereafter unless and until terminated by either party by notice in writing given to the other at least 30 days prior to the expiration of the first year, or 30 days prior to the expiration of any succeeding year.

Indicate Series, Brand or Subject Here	1 Number of Pictures Contracted for	2 Number of Days Run	3 Starting Date	4 Dates or Days of the Week Pictures are to be Played	5 Rental Price Per Picture	
International News	$ 0.					

COMPLETE SERVICE CONTRACT
THE EXHIBITOR HAS THE PRIVILEGE OF USING ANY PART OR ALL OF THE PRODUCT LISTED BELOW WITHIN ONE YEAR FROM STARTING DATE FILMS TO BE USED ONE DAY FOR WHICH HE AGREES TO PAY THE TOTAL SUM OF $338.00 PAYMENTS OF WHICH ARE TO BE MADE IN TWENTY SIX EQUAL WEEKLY INSTALLMENTS OF $13.00 each.
BEGINNING OCTOBER 1st, 1927.

26 FEATURES.
26 TWO REEL SUBJECTS.

TITLES AND RELEASE DATES ARE SUBJECT TO CHANGE.

LICENSE

SECOND: The Distributor hereby grants to the Exhibitor, and the latter accepts, a license under the respective copyrights of the several photoplays designated and described, in the Schedule herein, subject to the terms and conditions hereinafter stated, and those printed upon the reverse side hereof which are hereby made a part of this Contract, to exhibit (during the year commencing with the date fixed or determined as hereinafter provided for the exhibition in the above named theatre of the first photoplay deliverable hereunder) each of such photoplays at the said theatre only, for the number of successive days in the said schedule specified.

Such license shall be specifically for the exhibition of such photoplays at said theatre on the exhibition date or dates specified in said Schedule or determined as hereinafter provided and for no other purpose.

(a) It is specifically understood and agreed that the several productions and series covered by this agreement have been separately contracted for and the terms and conditions for the license thereof have been set forth in a single instrument for the mutual convenience of the parties hereto, and the exhibitor agrees that upon the request of the distributor he will execute individual instruments covering the agreements as to each series of productions or each production covered hereby. The exhibitor hereby authorizes any of the officers of the distributor as his attorney-in-fact to execute such individual instruments upon the exhibitor's failure to do so.

TIME AND PLACE OF EXHIBITION

THIRD: The Exhibitor agrees to exhibit said photoplays but only at the theatre above specified on the said date or dates and will not allow any positive print thereof to leave the Exhibitor's possession during the period specified for the exhibition thereof by the Exhibitor, nor exhibit or permit the exhibition of any such positive print at any other time or place than those herein specified or determined as herein provided.

FOURTH: The Exhibitor agrees to pay for such license as to each of such photoplays the fixed sums herein specified at least three (3) days in advance of the date of shipment from the Distributor's exchange or from the last previous Exhibitor of the positive print thereof.

PAYMENT OF FIXED SUMS

FIFTH: If this contract calls for payment or any part thereof computed upon the Exhibitor's gross receipts, the Exhibitor shall furnish to the Distributor daily a correct itemized statement of the gross receipts of said theatre for admission thereto upon the exhibition date or dates of each photoplay for which payment is so required to be made. Should the Distributor so require, such itemized statements shall be made upon forms furnished by the Distributor.

PERCENTAGE BOOKINGS

The Distributor shall have access during the period of exhibition of each such photoplay and for a period of sixty (60) days after the receipt by the Distributor of the final box office statement, for the purpose of inspection, to the box office and to all books and records relating to the Exhibitor's box office receipts during the period of exhibition of each such photoplay.

Payments or any part thereof computed upon the Exhibitor's box office receipts shall be made daily during the exhibition of the print of each photoplay for which payment is so required to be made.

PAYMENT ON ACCOUNT

SIXTH: Payment, if any, made upon the execution hereof by the Exhibitor shall be deemed payment on account of the sums last payable hereunder.

PROTECTION AND RUN

SEVENTH: During the life of this contract the Distributor agrees not to authorize or license the exhibition of any such photoplays in violation of the run or protection period, if any, in the schedule specified. Unless otherwise provided herein such protection period shall be computed from the first date of exhibition of each photoplay as fixed herein.

DELIVERY OF PRINTS

EIGHTH: The Distributor agrees to deliver to the Exhibitor during the period specified in Article Second hereof a positive print of each of such photoplays in time for exhibition at the said theatre on the dates specified or on the dates determined as herein provided. Delivery of such positive prints by the Distributor to the Exhibitor at the Distributor's Exchange or to a common carrier or to the United States postal authorities for mailing or to any agent of the Exhibitor shall be deemed delivery by the Distributor to the Exhibitor hereunder.

SELECTION OR DESIGNATION OF PLAY DATES

NINTH: The exhibition date or dates of each of the photoplays unless definitely specified in the said Schedule or otherwise agreed upon shall be determined as follows:

(a) The Distributor shall mail the Exhibitor at least fifteen (15) days' notice in writing of the date upon which each photoplay will be available for exhibition by the Exhibitor consistent with prior "runs" and/or "protection" heretofore or hereafter granted to other Exhibitors.

(b) Within fourteen (14) days after the mailing of such notice the Exhibitor shall select the exhibition date or dates within the four (4) weeks' period commencing with such date of availability by giving written notice to the Distributors of the date or dates so selected.

If the exhibition date or dates so selected by the Exhibitor are not available to the Exhibitor then the exhibition date or dates shall be designated as follows:

1. If other dates within said four (4) weeks' period shall be available, the Exhibitor shall immediately select from such other available dates another date or other dates, failing which, the Distributor shall designate the date or dates by mailing two (2) weeks' notice thereof to the Exhibitor, but such date or dates so designated shall not be fixed earlier than two (2) nor later than six (6) weeks from the exhibition date first selected by the Exhibitor;

2. If no other date or dates within said four (4) weeks' period shall be available (after the Exhibitor's written request therefor) the Exhibitor shall designate the date or dates by immediately giving written notice thereof to the Distributor, but such date or dates so designated shall not be fixed earlier than two (2) nor later than six (6) weeks from the last day of the said four (4) weeks' period. If the Exhibitor fails to so immediately designate such date or dates as provided in this paragraph (2) the Distributor shall designate the date or dates within the period last specified by mailing to the Exhibitor two (2) weeks' notice of such date or dates.

CLAUSES NINTH SUB (C) TO TWENTY-THIRD APPEAR ON THE

IN WITNESS WHEREOF, the parties hereto, if individuals or a partnership, have hereunto set their hands and seals, and if corporations have caused their corporate names to be affixed and their corporate seals to be duly affixed by their proper officers duly authorized on the day and year

2023

ADMISSION .....

SALESMAN J.H.Curran.

RUN 1st.

PROTECTION .....

HARRY ASHER, President
37-41 Piedmont Street ∴ Boston, Mass.
Telephone HANcock 8760

BRANCH OFFICES
388 CONGRESS STREET, PORTLAND, MAINE
134 MEADOW STREET, NEW HAVEN, CONN.

5A

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AMERICAN FEATURE FILM COMPANY a corporation (hereinafter called "the Distributor"), party of the first part, and

F.W.Marshall TREAS. YORK VILLAGE FIRE DEPARTMENT.

an exhibitor operating the Town Hall Theatre, No. ..... Street .....

City York Village State Maine. (hereinafter called "the Exhibitor"), party of the second part;

WITNESSETH: The parties hereto agree as follows:

WARRANTY AS TO FORM

FIRST: The Distributor warrants that there is contained herein all of the numbered Articles of the "Standard Exhibition Contract" filed with the Motion Picture Producers & Distributors of America, Inc., identified by the signature of its President on the 1st day of March, 1926. Articles First A, Second A and Twenty-third hereof are in addition thereto.

(a) In case this contract shall be for a brand or series of motion picture subjects to be released regularly at semi-weekly, weekly, bi-weekly or monthly intervals, and the letters "S. O." which shall be construed as "Standing Order," shall be stamped or written in the schedule on the face of this contract, this contract shall run as to each such brand or series for a period of one year commencing with the starting date of the first picture of such brand or series and shall automatically renew itself and continue in force for a further term of one year and from year to year thereafter unless and until terminated by either party by notice in writing given to the other at least 30 days prior to the expiration of the first year, or 30 days prior to the expiration of any succeeding year.

Indicate Series, Brand or Subject Here	1 Number of Pictures Contracted for	2 Number of Days Run	3 Starting Date	4 Dates or Days of the Week Pictures are to be Played	5 Rental Price Per Picture	
International News	$ 0.					

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TITLES AND RELEASE DATES ARE SUBJECT TO CHANGE.

LICENSE

SECOND: The Distributor hereby grants to the Exhibitor, and the latter accepts, a license under the respective copyrights of the several photoplays designated and described, in the Schedule herein, subject to the terms and conditions hereinafter stated, and those printed upon the reverse side hereof which are hereby made a part of this Contract, to exhibit (during the year commencing with the date fixed or determined as hereinafter provided for the exhibition in the above named theatre of the first photoplay deliverable hereunder) each of such photoplays at the said theatre only, for the number of successive days in the said schedule specified.

Such licenses shall be specifically for the exhibition of such photoplays at said theatre on the exhibition date or dates specified in said Schedule or determined as hereinafter provided and for no other purpose.

(a) It is specifically understood and agreed that the several productions and series covered by this agreement have been separately contracted for and the terms and conditions for the license thereof have been set forth in a single instrument for the mutual convenience of the parties hereto, and the exhibitor agrees that upon the request of the distributor he will execute individual instruments covering the agreements as to each series of productions or each production covered hereby. The exhibitor hereby authorizes any of the officers of the distributor as his attorney-in-fact to execute such individual instruments upon the exhibitor's failure to do so.

TIME AND PLACE OF EXHIBITION

THIRD: The Exhibitor agrees to exhibit said photoplays but only at the theatre above specified on the said date or dates and will not allow any positive print thereof to leave the Exhibitor's possession during the period specified for the exhibition thereof by the Exhibitor, nor exhibit or permit the exhibition of any such positive print at any other time or place than those herein specified or determined as herein provided.

PAYMENT OF FIXED SUMS

FOURTH: The Exhibitor agrees to pay for such license as to each of such photoplays the fixed sums herein specified at least three (3) days in advance of the date of shipment from the Distributor's exchange or from the last previous Exhibitor of the positive print thereof.

PERCENTAGE BOOKINGS

FIFTH: If this contract calls for payment or any part thereof computed upon the Exhibitor's gross receipts, the Exhibitor shall furnish to the Distributor daily a correct itemized statement of the gross receipts of said theatre for admission thereto upon the exhibition date or dates of each photoplay for which payment is so required to be made. Should the Distributor so require, such itemized statements shall be made upon forms furnished by the Distributor.

The Distributor shall have access during the period of exhibition of each such photoplay and for a period of sixty (60) days after the receipt by the Distributor of the final box office statement, for the purpose of inspection, to the box office and to all books and records relating to the Exhibitor's box office receipts during the period of exhibition of each such photoplay.

Payments or any part thereof computed upon the Exhibitor's box office receipts shall be made daily during the exhibition of the print of each photoplay for which payment is so required to be made.

PAYMENT ON ACCOUNT

SIXTH: Payment, if any, made upon the execution hereof by the Exhibitor shall be deemed payment on account of the sums last payable hereunder.

PROTECTION AND RUN

SEVENTH: During the life of this contract the Distributor agrees not to authorize or license the exhibition of any such photoplays in violation of the run or protection period, if any, in the schedule specified. Unless otherwise provided herein such protection period shall be computed from the first date of exhibition of each photoplay as fixed herein.

DELIVERY OF PRINTS

EIGHTH: The Distributor agrees to deliver to the Exhibitor during the period specified in Article Second hereof a positive print of each of such photoplays in time for exhibition at the said theatre on the dates specified or on the dates determined as herein provided. Delivery of such positive prints by the Distributor to the Exhibitor at the Distributor's Exchange or to a common carrier or to the United States postal authorities for mailing or to any agent of the Exhibitor shall be deemed delivery by the Distributor to the Exhibitor hereunder.

SELECTION OR DESIGNATION OF PLAY DATES

NINTH: The exhibition date or dates of each of the photoplays unless definitely specified in the said Schedule or otherwise agreed upon shall be determined as follows:

(a) The Distributor shall mail the Exhibitor at least fifteen (15) days' notice in writing of the date upon which each photoplay will be available for exhibition by the Exhibitor consistent with prior "runs" and/or "protection" heretofore or hereafter granted to other Exhibitors.

(b) Within fourteen (14) days after the mailing of such notice the Exhibitor shall select the exhibition date or dates within the four (4) weeks' period commencing with such date of availability by giving written notice to the Distributors of the date or dates so selected.

If the exhibition date or dates so selected by the Exhibitor are not available to the Exhibitor then the exhibition date or dates shall be designated as follows:

1. If other dates within said four (4) weeks' period shall be available, the Exhibitor shall immediately select from such other available dates another date or other dates, failing which, the Distributor shall designate the date or dates by mailing two (2) weeks' notice thereof to the Exhibitor, but such date or dates so designated shall not be fixed earlier than two (2) nor later than six (6) weeks from the exhibition date first selected by the Exhibitor;

2. If no other date or dates within said four (4) weeks' period shall be available (after the Exhibitor's written request therefor) the Exhibitor shall designate the date or dates by immediately giving written notice thereof to the Distributor, but such date or dates so designated shall not be fixed earlier than two (2) nor later than six (6) weeks from the last day of the said four (4) weeks' period. If the Exhibitor fails to so immediately designate such date or dates as provided in this paragraph (2) the Distributor shall designate the date or dates within the period last specified by mailing to the Exhibitor two (2) weeks' notice of such date or dates.

CLAUSES NINTH SUB (C) TO TWENTY-THIRD APPEAR ON THE REVERSE SIDE HEREOF.

IN WITNESS WHEREOF, the parties hereto, if individuals or a partnership, have hereunto set their hands and seals, and if corporations have caused their corporate names to be affixed and their corporate seals to be duly affixed by their proper officers duly authorized on the day and year first above written.

COUNTERSIGNED and APPROVED

AMERICAN FEATURE FILM COMPANY, Assns.

By ..... Manager

Date ..... 193..

EXHIBITOR A Partnership A Corporation Lessee L. S.
(Strike one out) Owner

AMERICAN FEATURE FILM COMPANY

By ..... Partner General Manager Officer (Strike out two)

Personally Guaranteed by

2022-2025

F

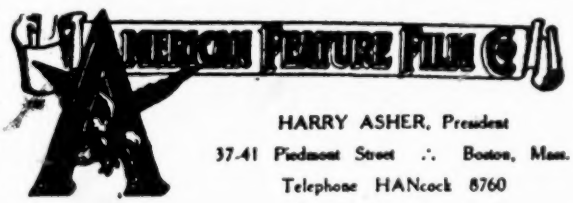
P.1648

BOOKING CONTRACT

Portland, Me.
Branch

ORIGINAL—DISTRIBUTOR'S COPY

POPULATION .....
SEATING CAPACITY .....
ADMISSION .....
SALESMAN J.H.Curran.
RUN 1st.
PROTECTION .....



HARRY ASHER, President
37-41 Piedmont Street ∴ Boston, Mass.
Telephone HANcock 8760

BRANCH OFFICES
388 CONGRESS STREET, PORTLAND, MAINE
134 MEADOW STREET, NEW HAVEN, CONN.

3A

AGREEMENT, made in Quadruplicate this 12th. day of April 19 27, between

AMERICAN FEATURE FILM COMPANY a corporation (hereinafter called "the Distributor"), party of the first part, and F.W.Marshall TREAS. YORK VILLAGE FIRE DEPARTMENT.

an exhibitor operating the Town Hall Theatre, No. ..... Street .....

City York Village State Maine. (hereinafter called "the Exhibitor"), party of the second part;

WITNESSETH: The parties hereto agree as follows:

FIRST: The Distributor warrants that there is contained herein all of the numbered Articles of the "Standard Exhibition Contract" filed with the Motion Picture Producers & Distributors of America, Inc., identified by the signature of its President on the 1st day of March, 1926. Articles First A, Second A and Twenty-third hereof are in addition thereto.

WARRANTY AS TO FORM

(a) In case this contract shall be for a brand or series of motion picture subjects to be released regularly at semi-weekly, weekly, bi-weekly or monthly intervals, and the letters "S. O." which shall be construed as "Standing Order," shall be stamped or written in the schedule on the face of this contract, this contract shall run as to each such brand or series for a period of one year commencing with the starting date of the first picture of such brand or series and shall automatically renew itself and continue in force for a further term of one year and from year to year thereafter unless and until terminated by either party by notice in writing given to the other at least 30 days prior to the expiration of the first year, or 30 days prior to the expiration of any succeeding year.

Indicate Series, Brand or Subject Here	1 Number of Pictures Contracted for	2 Number of Days Run	3 Starting Date	4 Dates or Days of the Week Pictures are to be Played	5 Rental Price Per Picture	
International News	$ 0.					

COMPLETE SERVICE CONTRACT
THE EXHIBITOR HAS THE PRIVILEGE OF USING ANY PART OR ALL OF THE PRODUCT LISTED BELOW WITHIN ONE YEAR FROM STARTING DATE FILMS TO BE USED ONE DAY FOR WHICH HE AGREES TO PAY THE TOTAL SUM OF $338.00 PAYMENTS OF WHICH ARE TO BE MADE IN TWENTY SIX EQUAL WEEKLY INSTALLMENTS OF $13.00 each.
BEGINNING OCTOBER 1st, 1927.

26 FEATURES.
~~26 TWO REEL SUBJECTS.~~

TITLES AND RELEASE DATES ARE SUBJECT TO CHANGE.

LICENSE

SECOND: The Distributor hereby grants to the Exhibitor, and the latter accepts, a license under the respective copyrights of the several photoplays designated and described, in the Schedule herein, subject to the terms and conditions hereinafter stated, and those printed upon the reverse side hereof which are hereby made a part of this Contract, to exhibit (during the year commencing with the date fixed or determined as hereinafter provided for the exhibition in the above named theatre of the first photoplay deliverable hereunder) each of such photoplays at the said theatre only, for the number of successive days in the said schedule specified.

Such license shall be specifically for the exhibition of such photoplays at said theatre on the exhibition date or dates specified in said Schedule or determined as hereinafter provided and for no other purpose.

(a) It is specifically understood and agreed that the several productions and series covered by this agreement have been separately contracted for and the terms and conditions for the license thereof have been set forth in a single instrument for the mutual convenience of the parties hereto, and the exhibitor agrees that upon the request of the distributor he will execute individual instruments covering the agreements as to each series of productions or each production covered hereby. The exhibitor hereby authorizes any of the officers of the distributor as his attorney-in-fact to execute such individual instruments upon the exhibitor's failure to do so.

TIME AND PLACE OF EXHIBITION

THIRD: The Exhibitor agrees to exhibit said photoplays but only at the theatre above specified on the said date or dates and will not allow any positive print thereof to leave the Exhibitor's possession during the period specified for the exhibition thereof by the Exhibitor, nor exhibit or permit the exhibition of any such positive print at any other time or place than those herein specified or determined as herein provided.

PAYMENT OF FIXED SUMS

FOURTH: The Exhibitor agrees to pay for such license as to each of such photoplays the fixed sums herein specified at least three (3) days in advance of the date of shipment from the Distributor's exchange or from the last previous Exhibitor of the positive print thereof.

PERCENTAGE BOOKINGS

FIFTH: If this contract calls for payment or any part thereof computed upon the Exhibitor's gross receipts, the Exhibitor shall furnish to the Distributor daily a correct itemized statement of the gross receipts of said theatre for admission thereto upon the exhibition date or dates of each photoplay for which payment is so required to be made. Should the Distributor so require, such itemized statements shall be made upon forms furnished by the Distributor.

The Distributor shall have access during the period of exhibition of each such photoplay and for a period of sixty (60) days after the receipt by the Distributor of the final box office statement, for the purpose of inspection, to the box office and to all books and records relating to the Exhibitor's box office receipts during the period of exhibition of each such photoplay.

Payments or any part thereof computed upon the Exhibitor's box office receipts shall be made daily during the exhibition of the print of each photoplay for which payment is so required to be made.

PAYMENT ON ACCOUNT

SIXTH: Payment, if any, made upon the execution hereof by the Exhibitor shall be deemed payment on account of the sums last payable hereunder.

PROTECTION AND RUN

SEVENTH: During the life of this contract the Distributor agrees not to authorize or license the exhibition of any such photoplays in violation of the run or protection period, if any, in the schedule specified. Unless otherwise provided herein such protection period shall be computed from the first date of exhibition of each photoplay as fixed herein.

DELIVERY OF PRINTS

EIGHTH: The Distributor agrees to deliver to the Exhibitor during the period specified in Article Second hereof a positive print of each of such photoplays in time for exhibition at the said theatre on the dates specified or on the dates determined as herein provided. Delivery of such positive prints by the Distributor to the Exhibitor at the Distributor's Exchange or to a common carrier or to the United States postal authorities for mailing or to any agent of the Exhibitor shall be deemed delivery by the Distributor to the Exhibitor hereunder.

SELECTION OR DESIGNATION OF PLAY DATES

NINTH: The exhibition date or dates of each of the photoplays unless definitely specified in the said Schedule or otherwise agreed upon shall be determined as follows:

(a) The Distributor shall mail the Exhibitor at least fifteen (15) days' notice in writing of the date upon which each photoplay will be available for exhibition by the Exhibitor consistent with prior "runs" and/or "protection" heretofore or hereafter granted to other Exhibitors.

(b) Within fourteen (14) days after the mailing of such notice the Exhibitor shall select the exhibition date or dates within the four (4) weeks' period commencing with such date of availability by giving written notice to the Distributors of the date or dates so selected.

If the exhibition date or dates so selected by the Exhibitor are not available to the Exhibitor then the exhibition date or dates shall be designated as follows:

1. If other dates within said four (4) weeks' period shall be available, the Exhibitor shall immediately select from such other available dates another date or other dates, failing which, the Distributor shall designate the date or dates by mailing two (2) weeks' notice thereof to the Exhibitor, but such date or dates so designated shall not be fixed earlier than two (2) nor later than six (6) weeks from the exhibition date first selected by the Exhibitor;

2. If no other date or dates within said four (4) weeks' period shall be available (after the Exhibitor's written request therefor) the Exhibitor shall designate the date or dates by immediately giving written notice thereof to the Distributor, but such date or dates so designated shall not be fixed earlier than two (2) nor later than six (6) weeks from the last day of the said four (4) weeks' period. If the Exhibitor fails to so immediately designate such date or dates as provided in this paragraph (2) the Distributor shall designate the date or dates within the period last specified by mailing to the Exhibitor two (2) weeks' notice of such date or dates.

CLAUSES NINTH SUB (C) TO TWENTY-THIRD

IN WITNESS WHEREOF, the parties hereto, if individuals or a partnership, have hereunto set their hands and seals, and if corporations have caused their corporate names to be affixed and their corporate seals to be duly attested by their proper officers duly authorized on the day and year

SALESMAN J.H.Curran.

RUN 1st.

PROTECTION

HARRY ASHER, President
37-41 Piedmont Street ∴ Boston, Mass.
Telephone HANcock 6760

BRANCH OFFICES
305 CONGRESS STREET, PORTLAND, MAINE
134 MEADOW STREET, NEW HAVEN, CONN.

5A

AGREEMENT, made in Quadruplicate this 12th. day of April 19 27, between

AMERICAN FEATURE FILM COMPANY a corporation (hereinafter called "the Distributor"), party of the first part, and

F.W.Marshall TREAS. YORK VILLAGE FIRE DEPARTMENT.

an exhibitor operating the Town Hall Theatre, No. Street

City York Village. State Maine. (hereinafter called "the Exhibitor"), party of the second part;

WITNESSETH: The parties hereto agree as follows:

WARRANTY AS TO FORM

FIRST: The Distributor warrants that there is contained herein all of the numbered Articles of the "Standard Exhibition Contract" filed with the Motion Picture Producers & Distributors of America, Inc., identified by the signature of its President on the 1st day of March, 1926. Articles First A, Second A and Twenty-third hereof are in addition thereto.

(a) In case this contract shall be for a brand or series of motion picture subjects to be released regularly at semi-weekly, weekly, bi-weekly or monthly intervals, and the letters "S. O." which shall be construed as "Standing Order," shall be stamped or written in the schedule on the face of this contract, this contract shall run as to each such brand or series for a period of one year commencing with the starting date of the first picture of such brand or series and shall automatically renew itself and continue in force for a further term of one year and from year to year thereafter unless and until terminated by either party by notice in writing given to the other at least 30 days prior to the expiration of the first year, or 30 days prior to the expiration of any succeeding year.

Indicate Series, Brand or Subject Here	1 Number of Pictures Contracted for	2 Number of Days Run	3 Starting Date	4 Dates or Days of the Week Pictures are to be Played	5 Rental Price Per Picture	
International News	$ 0.					

COMPLETE SERVICE CONTRACT
THE EXHIBITOR HAS THE PRIVILEGE OF USING ANY PART OR ALL OF THE PRODUCT LISTED BELOW WITHIN ONE YEAR FROM STARTING DATE FILMS TO BE USED ONE DAY FOR WHICH HE AGREES TO PAY THE TOTAL SUM OF $338.00 PAYMENTS OF WHICH ARE TO BE MADE IN TWENTY SIX EQUAL WEEKLY INSTALLMENTS OF $13.00 each.
BEGINNING OCTOBER 1st,1927.
26 FEATURES.
26 TWO REEL SUBJECTS.

TITLES AND RELEASE DATES ARE SUBJECT TO CHANGE.

LICENSE

SECOND: The Distributor hereby grants to the Exhibitor, and the latter accepts, a license under the respective copyrights of the several photoplays designated and described, in the Schedule herein, subject to the terms and conditions hereinafter stated, and those printed upon the reverse side hereof which are hereby made a part of this Contract, to exhibit (during the year commencing with the date fixed or determined as hereinafter provided for the exhibition in the above named theatre of the first photoplay deliverable hereunder) each of such photoplays at the said theatre only, for the number of successive days in the said schedule specified.

Such license shall be specifically for the exhibition of such photoplays at said theatre on the exhibition date or dates specified in said Schedule or determined as hereinafter provided and for no other purpose.

(a) It is specifically understood and agreed that the several productions and series covered by this agreement have been separately contracted for and the terms and conditions for the license thereof have been set forth in a single instrument for the mutual convenience of the parties hereto, and the exhibitor agrees that upon the request of the distributor he will execute individual instruments covering the agreements as to each series of productions or each production covered hereby. The exhibitor hereby authorizes any of the officers of the distributor as his attorney-in-fact to execute such individual instruments upon the exhibitor's failure to do so.

TIME AND PLACE OF EXHIBITION

THIRD: The Exhibitor agrees to exhibit said photoplays but only at the theatre above specified on the said date or dates and will not allow any positive print thereof to leave the Exhibitor's possession during the period specified for the exhibition thereof by the Exhibitor, nor exhibit or permit the exhibition of any such positive print at any other time or place than those herein specified or determined as herein provided.

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FOURTH: The Exhibitor agrees to pay for such license as to each of such photoplays the fixed sums herein specified at least three (3) days in advance of the date of shipment from the Distributor's exchange or from the last previous Exhibitor of the positive print thereof.

PERCENTAGE BOOKINGS

FIFTH: If this contract calls for payment or any part thereof computed upon the Exhibitor's gross receipts, the Exhibitor shall furnish to the Distributor daily a correct itemized statement of the gross receipts of said theatre for admission thereto upon the exhibition date or dates of each photoplay for which payment is so required to be made. Should the Distributor so require, such itemized statements shall be made upon forms furnished by the Distributor.

The Distributor shall have access during the period of exhibition of each such photoplay and for a period of sixty (60) days after the receipt by the Distributor of the final box office statement, for the purpose of inspection, to the box office and to all books and records relating to the Exhibitor's box office receipts during the period of exhibition of each such photoplay.

Payments or any part thereof computed upon the Exhibitor's box office receipts shall be made daily during the exhibition of the print of such photoplay for which payment is so required to be made.

PAYMENT ON ACCOUNT

SIXTH: Payment, if any, made upon the execution hereof by the Exhibitor shall be deemed payment on account of the sums last payable hereunder.

PROTECTION AND RUN

SEVENTH: During the life of this contract the Distributor agrees not to authorize or license the exhibition of any such photoplays in violation of the run or protection period, if any, in the schedule specified. Unless otherwise provided herein such protection period shall be computed from the first date of exhibition of each photoplay as fixed herein.

DELIVERY OF PRINTS

EIGHTH: The Distributor agrees to deliver to the Exhibitor during the period specified in Article Second hereof a positive print of each of such photoplays in time for exhibition at the said theatre on the dates specified or on the dates determined as herein provided. Delivery of such positive prints by the Distributor to the Exhibitor at the Distributor's Exchange or to a common carrier or to the United States postal authorities for mailing or to any agent of the Exhibitor shall be deemed delivery by the Distributor to the Exhibitor hereunder.

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(b) Within fourteen (14) days after the mailing of such notice the Exhibitor shall select the exhibition date or dates within the four (4) weeks' period commencing with such date of availability by giving written notice to the Distributors of the date or dates so selected.

If the exhibition date or dates so selected by the Exhibitor are not available to the Exhibitor then the exhibition date or dates shall be designated as follows:

1. If other dates within said four (4) weeks' period shall be available, the Exhibitor shall immediately select from such other available dates another date or other dates, failing which, the Distributor shall designate the date or dates by mailing two (2) weeks' notice thereof to the Exhibitor, but such date or dates so designated shall not be fixed earlier than two (2) nor later than six (6) weeks from the exhibition date first selected by the Exhibitor;

2. If no other date or dates within said four (4) weeks' period shall be available (after the Exhibitor's written request therefor) the Exhibitor shall designate the date or dates by immediately giving written notice thereof to the Distributor, but such date or dates so designated shall not be fixed earlier than two (2) nor later than six (6) weeks from the last day of the said four (4) weeks' period. If the Exhibitor fails to so immediately designate such date or dates as provided in this paragraph (2) the Distributor shall designate the date or dates within the period last specified by mailing to the Exhibitor two (2) weeks' notice of such date or dates.

CLAUSES NINTH SUB (C) TO TWENTY-THIRD APPEAR ON THE REVERSE SIDE HEREOF.

IN WITNESS WHEREOF, the parties hereto, if individuals or a partnership, have hereunto set their hands and seals, and if corporations have caused their corporate names to be affixed and their corporate seals to be duly affixed by their proper officers duly authorized on the day and year first above written.

COUNTERSIGNED and APPROVED

AMERICAN FEATURE FILM COMPANY, Agents.

By ..... Manager

Date ..... 192.. EXHIBITOR A Partnership A Corporation Lessee Owner L. S.
(Strike one out)

AMERICAN FEATURE FILM COMPANY

By ..... Partner General Manager Officer (Strike out two)

Personally Guaranteed by .....

2024-2025

F

P.1648

We respectfully complain against said exhibitor as follows:

(Here insert a plain and concise statement of facts.)

We hold contracts with this exhibitor for #504 10 15 27 The Devil Dancer, = 615 10 15 27 Ramona, which contracts carry the following agreement:

"It is mutually agreed that if the gross receipts of the first three days of the engagement equals or exceeds the sum of Twelve Hundred Dollars ($1200.00) The Devil Dancer will be booked and held over for a second consecutive week of six days and this agreement is a part of this contract."

The same agreement appears on Ramona contract.

Exhibitor played Devil Dancer May 28-June 2nd and Ramona June 25-30 and on each engagement the gross receipts reached the $1200.00 control figure within the first three days of the run. Mr. Gorman took out both subjects after completing a six day run on each, instead of holding over for the second week.

We request that the exhibitor play these productions another week in accordance with the terms of his contracts in settlement of our claim.

We desire you to advise the exhibitor of our claim, and if it is denied, or if the exhibitor fails to respond to your communication, or if an answer is received and it is not satisfactory to us, we desire our claim brought before the Board of Arbitration for determination.

Very truly yours, United Artists Corporation, Distributor. Manager, M. J. Garrity.

[fol. 2027]

Maine

World's Safest Theatre

Cameo, Deering; Strand, So. Portland; Nordica, Freeport; Riverside, Bridgton; Bickford, Gorham; Palace, Old Orchard; Pastime, Yarmouth

Portland, Me., Aug. 7th, 1928. 192-.

New England Film Board of Trade, Boston, Mass.

GENTLEMEN: I have your notice of complaint against me by United Artists Co/p. which is set for Aug. 17th and as

I am going on a vacation for two weeks beginning Aug. 10th. I ask that this case be postponed.

However, as I know its customary to give the exchange every benefit of the doubt and the case may be tried whether I am present or not I give you below the details of my contract with them and it seems to me that United Artists should be more than satisfied with the results they took me for in an 880 seat house.

The first picture played on the two week basis was My Best Girl—They got $2714 and we made $184 on the weeks.

The second that was held over was Sadie Thompson and in two weeks they go- $2190 while we lost $615.

On the Gauch the first week they got $1591 and we made $354. On the second they got $674 and we lost $605.

On Sorrell & Son 1st week their share $1315 ours $96 profit. Second week their share $860 our loss $415.

On Gilda Gray in Devil Dancer the picture did go over the $1200 guarantee by $15 because the third day was May 30th (Holiday) during the last 3 days it only grossed slightly better than $800 and on the first week they too- for their share over $1000 while we lost $228.

[fol. 2028] I suppose its just as well that I am away for I know that no matter what the conditions are the exchange is always right—in this case they have cancelled out some of the pictures that were forced on us on a two week run and it seems to me that by changing one contract all contracts should be effected.

Yours very truly, L. P. Gorman.

[fol. 2029] Form No. 4

City of Boston,
State: Massachusetts,
County: Suffolk:

In the matter of the arbitration of, United Artists Corp., Distributor, and L. P. Gorman, Maine, Portland, Maine, Exhibitor

H. Segal—W. H. Erbb.

We, the undersigned arbitrators, having been duly appointed to arbitrate the matters in controversy existing between the above named Distributor and Exhibitor as by

6S.G. 504

Form S.C. 10M SETS
SHARING CONTRACT

Exchange Contract No.

Dated Oct. 15 1927

City Portland, Maine.

EXCHANGE OFFICE COPY

UNITED ARTISTS CORPORATION

"SOLD INDIVIDUALLY—ON MERIT"

APPLICATION AND CONTRACT

(Standard Exhibition Contract)

Dated ..... 192....

Theatre Maine

Portland, Maine.
Exchange

27-572
Form 41 number

Home Office Contract No.

Exhibitor Ugo Theatres, Inc.
L. P. Gorman, Mgr.

AGREEMENT, made in quintriplicate on the date above set forth, between United Artists Corporation, hereinafter referred to as "Distributor," and the above named exhibitor, hereinafter referred to as "Exhibitor."

WITNESSETH: The parties hereto agree as follows:

L . P . G O R M A N
907 Congress St.

PORTLAND, MAINE.

Oct. 19th, 1927.

Mr. M.J. Garrity
Portland, Maine.

Dear Mr. Garrity:

Prusuant with your telephonic conversation of even date with regards to a written agreement from me assuring you of play dates at our NEW MAINE THEATRE at the rate of one every other week on and after the first two opening weeks beg leave to advise that this is perfectly agreeably to me and you may accept thei letter as my agreement to your demands, and same can be made a part of the contracts signed between us under date of Oct. 15th, 1927.

Trusting this meets with your approval, I am

Yours very truly,

MAINE THEATRE

(Signed) L.P. Gorman Gen'l Mgr.

LPG:HJK

2031

May 28 with / 28

GS.G. 504

Form S.C.-10M-SETS

SHARING CONTRACT

Exchange Contract No.

Dated Oct. 15 1927

EXCHANGE OFFICE COPY

UNITED ARTISTS CORPORATION

"SOLD INDIVIDUALLY—ON MERIT"

APPLICATION AND CONTRACT

(Standard Exhibition Contract)

Dated.....192....

Portland, Maine.

Exchange

27-572

Form 41 number

Home Office Contract No.

City Portland, Maine. Theatre Maine Exhibitor Ugo Theatres, Inc. L. P. Gorman, Mgr.

AGREEMENT, made in quintriplicate on the date above set forth, between United Artists Corporation, hereinafter referred to as "Distributor," and the above named exhibitor, hereinafter referred to as "Exhibitor."

WITNESSETH: The parties hereto agree as follows:

1st: The Distributor warrants that there is contained herein all the numbered Articles of the "Standard Exhibition Contract" filed with the Motion Picture Producers and Distributors of America, Inc., identified by the signature of its President on the 1st day of March, 1926. *Articles Twenty-third and Twenty-fourth, and all the provisions, printed, stamped, and/or written, upon the Schedule hereof, are in addition thereto.*

License

2nd: The Distributor hereby grants to the Exhibitor, and the latter accepts, a license under the respective copyrights of the several photoplays designated and described, in the Schedule herein, subject to the terms and conditions hereinafter stated *and those printed upon the reverse side hereof which are made a part of this contract*, to exhibit (during the year commencing with the date fixed or determined as hereinafter provided for the exhibition in the above named theatre of the first photoplay deliverable hereunder) each of such photoplays at the said theatre only, for the number of successive days in the said schedule specified.

Such license shall be specifically for the exhibition of such photoplays at said theatre on the exhibition date or dates specified in said Schedule or determined as hereinafter provided and for no other purpose.

Time and Place of Exhibition.

3rd: The Exhibitor agrees to exhibit said photoplays but only at the theatre above specified on the said date or dates and will not allow any positive print thereof to leave the Exhibitor's possession during the period specified for the exhibition thereof by the Exhibitor, nor exhibit or permit the exhibition of any such positive print at any other time or place than those herein specified or determined as herein provided.

Payment of Fixed Sums.

4th: The Exhibitor agrees to pay for such license as to each of such photoplays the fixed sums herein specified at least three (3) days in advance of the date of shipment from the Distributor's Exchange or from the last previous Exhibitor of the positive print thereof.

SCHEDULE

Title of Photoplay THE DEVIL DANCER Star or Producer GILDA GRAY

Exhibition dates: The Exhibitor agrees to exhibit said photoplay at said theatre for SIX consecutive days, commencing on.....,

the ..... day of ....., 192.....

GUARANTEE AND PERCENTAGE

The Exhibitor agrees to pay to the Distributor as license fee for the license granted hereunder the guaranteed sum of $[illegible]

and FIFTY % of gross receipts [illegible] of which sum the sum of $..... [illegible] the receipt of said payment on account is hereby acknowledged. The said payment on account shall not be returnable by the Distributor if the Distributor accepts this contract.

ADMISSION PRICES: MATINEES ALL SEATS 25 cts. NIGHTS ALL SEATS 35 cts

Exhibitor agrees to book and play this production as early as possible after the theatre is open.

It is mutually agreed that if the gross receipts of the first three days of the engagement equals or exceede the sum of TWELVE HUNDRED ($1200.00) DOLLARS THE DEVIL DANCER will be booked and held over for a second consecutive week of six days and this agreement is a part of this contract

Run FIRST Protection 90 Days against second run in portland.

The exhibitor agrees to spend not less than 150.00 for advertising said photoplay which shall include lithographs, bill-poster advertising and all other advertising. In the event that the Exhibitor does not spend the amount above mentioned for advertising said photoplay, Exhibitor shall pay to Distributor in addition to all other payments hereinbefore provided to be made by Exhibitor to Distributor, a sum equal to 5% of the gross receipts of the exhibition of said photoplay.

In addition to all of the rights mentioned in Article "Fifth" hereof, the Exhibitor hereby authorizes the Distributor to have a representative, or representatives, stationed at said theatre during the entire period provided for the exhibition of said photoplay at said theatre, or during any part of said period. Said representative shall have free access to the said theatre and all parts thereof, including the box office, and shall have the right to check ticket sales and admissions and to verify receipts and admission prices charged, and to take admission tickets at the entrances to said theatre. Exhibitor agrees that no free admissions will be given during the exhibition of said photoplay without the consent of the representative of the Distributor.

The Exhibitor agrees that the Distributor shall not be in any way responsible for any accident to employees or patrons of the aforesaid theatre during the period of exhibition of said photoplay.

Exhibitor agrees to give the name of the above mentioned star or producer "Chief prominence" (and by "Chief prominence" is meant that said name shall be in letters at least twice the size of any other part of the subject matter in which said name appears) in all advertising and literature used in connection with the exhibition of said motion picture.

Distributor's right to approve or reject this application and/or any other application signed by Exhibitor (whether executed concurrently with this application or otherwise) is not dependent upon the approval and/or rejection by Distributor of such other application and/or this application.

Percentage Bookings.

5th: If this contract calls for payment or any part thereof computed upon the Exhibitor's gross receipts the Exhibitor shall furnish to the Distributor daily a correct itemized statement of the gross receipts of said theatre for admission thereto upon the exhibition date or dates of each photoplay for which payment is so required to be made. Should the Distributor so require, such itemized statement shall be made upon forms furnished by the Distributor.

The Distributor shall have access during the period of exhibition of each such photoplay and for a period of sixty (60) days after the receipt by the Distributor of the final box office statement, for the purpose of inspection, to the box office and to all books and records relating to the Exhibitor's box office receipts during the period of exhibition of each such photoplay.

Payment or any part thereof computed upon the Exhibitor's box office receipts shall be made daily during the exhibition of the print of each photoplay for which payment is so required to be made.

Payment on Account.

6th: Payment, if any, made upon the execution hereof by the Exhibitor shall be deemed payment on account of the sums last payable hereunder.

Protection and Run.

7th: During the life of this contract the Distributor agrees not to authorize license the exhibition of any such photoplays in violation of the "run" or "protection" period, if any, in the schedule specified. Unless otherwise provided herein such "protection" period shall be computed from the first date of exhibition of each photoplay as fixed herein.

Delivery of Prints.

8th: The Distributor agrees to deliver to the Exhibitor during the period specified in Article Second hereof a positive print of each of such photoplays in time for exhibition at the said theatre on the dates specified or on the dates determined as herein provided. Delivery of such positive prints by the Distributor to the Exhibitor at the Distributor's Exchange or to a common carrier or to the United States postal authorities for mailing or to any agent of the Exhibitor shall be deemed delivery by the Distributor to the Exhibitor hereunder.

Selection or Designation of Play Dates.

9th: The exhibition date or dates of each of the photoplays unless definitely specified in the said Schedule or otherwise agreed upon shall be determined as follows:

(a) The Distributor shall mail to the Exhibitor at least fifteen (15) days' notice in writing of the date upon which each photoplay will be available for exhibition by the Exhibitor consistent with prior "run" and/or "protection" heretofore or hereafter granted to other Exhibitors.

(b) Within fourteen (14) days after the mailing of such notice the Exhibitor shall select the exhibition date or dates within the four (4) weeks period commencing with such date of availability by giving written notice to the Distributor of the date or dates so selected.

If the exhibition date or dates so selected by the Exhibitor are not available to the Exhibitor then the exhibition date or dates shall be designated as follows:

1. If other dates within said four (4) weeks' period shall be available the Exhibitor shall immediately select from such other available dates other date or other dates failing which the Distributor shall designate the date or dates by mailing two (2) weeks' notice thereof to the Exhibitor, such date or dates so designated shall not be fixed earlier than two (2) nor later than six (6) weeks from the exhibition date first selected by the Exhibitor;

2. If no other date or dates within said four (4) weeks' period shall be available (after the Exhibitor's written request therefor) the Exhibitor shall designate the date or dates by immediately giving written notice thereof to the Distributor but such date or dates so designated shall not be fixed earlier than two (2) nor later than six (6) weeks from the last day of the said four (4) weeks' period. If the Exhibitor fails to so immediately designate such date or dates as provided in this paragraph (2) the Distributor shall designate the date or dates within the period last specified by mailing to the Exhibitor two (2) weeks' notice of such date or dates.

(c) If the Exhibitor fails to make such selection within fourteen (14) days after the mailing of such notice of availability then

(1) the distributor may at any time thereafter designate the exhibition date or dates (no such date to be prior to the initial date of availability) [illegible]

(2) provided that the Distributor shall have then received [illegible]

2032

(Standard Exhibition Contract)

Dated.....192....

City Portland, Maine. Theatre Maine Exhibitor Ugo Theatres, Inc. L. P. Gorman, Mgr.

AGREEMENT, made in quintriplicate on the date above set forth, between United Artists Corporation, hereinafter referred to as "Distributor," and the above named exhibitor, hereinafter referred to as "Exhibitor."

WITNESSETH: The parties hereto agree as follows:

1st: The Distributor warrants that there is contained herein all the numbered Articles of the "Standard Exhibition Contract" filed with the Motion Picture Producers and Distributors of America, Inc., identified by the signature of its President on the 1st day of March, 1926. *Articles Twenty-third and Twenty-fourth, and all the provisions, printed, stamped, and/or written, upon the Schedule hereof, are in addition thereto.*

License

2nd: The Distributor hereby grants to the Exhibitor, and the latter accepts, a license under the respective copyrights of the several photoplays designated and described, in the Schedule herein, subject to the terms and condition hereinafter stated *and those printed upon the reverse side hereof which are made a part of this contract*, to exhibit (during the year commencing with the date fixed or determined as hereinafter provided for the exhibition in the above named theatre of the first photoplay deliverable hereunder) each of such photoplays at the said theatre only, for the number of successive days in the said schedule specified.

Such license shall be specifically for the exhibition of such photoplays at said theatre on the exhibition date or dates specified in said Schedule or determined as hereinafter provided and for no other purpose.

Time and Place of Exhibition.

3rd: The Exhibitor agrees to exhibit said photoplays but only at the theatre above specified on the said date or dates and will not allow any positive print thereof to leave the Exhibitor's possession during the period specified for the exhibition thereof by the Exhibitor, nor exhibit or permit the exhibition of any such positive print at any other time or place than those herein specified or determined as herein provided.

Payment of Fixed Sums.

4th: The Exhibitor agrees to pay for such license as to each of such photoplays the fixed sums herein specified at least three (3) days in advance of the date of shipment from the Distributor's Exchange or from the last previous Exhibitor of the positive print thereof.

SCHEDULE

Title of Photoplay THE DEVIL DANCER Star or Producer GILDA GRAY

Exhibition dates: The Exhibitor agrees to exhibit said photoplay at said theatre for SIX consecutive days, commencing on.....,

the ..... day of .....192.....

GUARANTEE AND PERCENTAGE

The Exhibitor agrees to pay to the Distributor as license fee for the license granted hereunder the guaranteed sum of $[illegible] plus FIFTY % of gross receipts [illegible] of which sum the sum of $..... [illegible] is hereby paid on account thereof, the receipt of said payment on account is hereby acknowledged. The said payment on account shall not be returnable by the Distributor if the Distributor accepts this contract.

ADMISSION PRICES: MATINEES ALL SEATS 25 cts. NIGHTS ALL SEATS 35 cts

Exhibitor agrees to book and play this production as early as possible after the theatre is open.

It is mutually agreed that if the gross receipts of the first three days of the engagement equals or exceeds the sum of TWELVE HUNDRED ($1200.00) DOLLARS THE DEVIL DANCER will be booked and held over for a second consecutive week of six days and this agreement is a part of this contract

Run FIRST Protection 90 Days against second run in portland.

The exhibitor agrees to spend not less than $ 150.00 for advertising said photoplay which shall include lithographs, bill-poster advertising and all other advertising. In the event that the Exhibitor does not spend the amount above mentioned for advertising said photoplay, Exhibitor shall pay to Distributor in addition to all other payments hereinbefore provided to be made by Exhibitor to Distributor, a sum equal to 5% of the gross receipts of the exhibition of said photoplay.

In addition to all of the rights mentioned in Article "Fifth" hereof, the Exhibitor hereby authorizes the Distributor to have a representative, or representatives, stationed at said theatre during the entire period provided for the exhibition of said photoplay at said theatre, or during any part of said period. Said representative shall have free access to the said theatre and all parts thereof, including the box office, and shall have the right to check ticket sales and admissions and to verify receipts and admission prices charged, and to take admission tickets at the entrances to said theatre. Exhibitor agrees that no free admissions will be given during the exhibition of said photoplay without the consent of the representative of the Distributor.

The Exhibitor agrees that the Distributor shall not be in any way responsible for any accident to employees or patrons of the aforesaid theatre during the period of exhibition of said photoplay.

Exhibitor agrees to give the name of the above mentioned star or producer "Chief prominence" (and by "Chief prominence" is meant that said name shall be in letters at least twice the size of any other part of the subject matter in which said name appears) in all advertising and literature used in connection with the exhibition of said motion picture.

Distributor's right to approve or reject this application and or any other application signed by Exhibitor (whether executed concurrently with this application or otherwise) is not dependent upon the approval and or rejection by Distributor of such other application and/or this application.

Percentage Bookings.

5th: If this contract calls for payment or any part thereof computed upon the Exhibitor's gross receipts the Exhibitor shall furnish to the Distributor daily a correct itemized statement of the gross receipts of said theatre for admission thereto upon the exhibition date or dates of each photoplay for which payment is so required to be made. Should the Distributor so require, such itemized statement shall be made upon forms furnished by the Distributor.

The Distributor shall have access during the period of exhibition of each such photoplay and for a period of sixty (60) days after the receipt by the Distributor of the final box office statement, for the purpose of inspection, to the box office and to all books and records relating to the Exhibitor's box office receipts during the period of exhibition of each such photoplay.

Payment or any part thereof computed upon the Exhibitor's box office receipts shall be made daily during the exhibition of the print of each photoplay for which payment is so required to be made.

Payment on Account.

6th: Payment, if any, made upon the execution hereof by the Exhibitor shall be deemed payment on account of the sums last payable hereunder.

Protection and Run.

7th: During the life of this contract the Distributor agrees not to authorize license the exhibition of any such photoplays in violation of the "run" or "protection" period, if any, in the schedule specified. Unless otherwise provided herein such "protection" period shall be computed from the first date of exhibition of each photoplay as fixed herein.

Delivery of Prints.

8th: The Distributor agrees to deliver to the Exhibitor during the period specified in Article Second hereof a positive print of each of such photoplays in time for exhibition at the said theatre on the dates specified or on the dates determined as herein provided. Delivery of such positive prints by the Distributor to the Exhibitor at the Distributor's Exchange or to a common carrier or to the United States postal authorities for mailing to any agent of the Exhibitor shall be deemed delivery by the Distributor to the Exhibitor hereunder.

Selection or Designation of Play Dates.

9th: The exhibition date or dates of each of the photoplays unless definitely specified in the said Schedule or otherwise agreed upon shall be determined as follows:

(a) The Distributor shall mail to the Exhibitor at least fifteen (15) days' notice in writing of the date upon which each photoplay will be available for exhibition by the Exhibitor consistent with prior "run" and/or "protection" heretofore or hereafter granted to other Exhibitors.

(b) Within fourteen (14) days after the mailing of such notice the Exhibitor shall select the exhibition date or dates within the four (4) weeks period commencing with such date of availability by giving written notice to the Distributor of the date or dates so selected.

If the exhibition date or dates so selected by the Exhibitor are not available to the Exhibitor then the exhibition date or dates shall be designated as follows:

1. If other dates within said four (4) weeks' period shall be available the Exhibitor shall immediately select from such other available dates other date or other dates failing which the Distributor shall designate the date or dates by mailing two (2) weeks' notice thereof to the Exhibitor, such date or dates so designated shall not be fixed earlier than two (2) nor later than six (6) weeks from the exhibition date first selected by the Exhibitor;

2. If no other date or dates within said four (4) weeks' period shall be available (after the Exhibitor's written request therefor) the Exhibitor shall designate the date or dates by immediately giving written notice thereof to the Distributor but such date or dates so designated shall not be fixed earlier than two (2) nor later than six (6) weeks from the last day of the said four (4) weeks' period. If the Exhibitor fails to so immediately designate such date or dates as provided in this paragraph (2) the Distributor shall designate the date or dates within the period last specified by mailing to the Exhibitor two (2) weeks' notice of such date or dates.

(c) If the Exhibitor fails to make such selection within fourteen (14) days after the mailing of such notice of availability then

(1) the distributor may at any time thereafter designate the exhibition date or dates (no such date to be prior to the initial date of availability) mailing notice thereof to the Exhibitor at least fourteen (14) days before the first exhibition date so designated;

(2) provided that the Distributor shall have then entered into a contract with any other Exhibitor in which contract is specified a "run" of any the photoplays prior in point of time and immediately preceding the "run" (specified in the Schedule) granted the Exhibitor and provided further t such photoplay shall have been exhibited by such other Exhibitor the Distributor shall in the manner specified in subdivision (1) of this paragraph designate the exhibition date or dates of such photoplay within the period of forty-five (45) days commencing with the date of availability specified the notice provided for in paragraph (a) of this Article.

(d) In case the exhibition date or dates of any of the photoplays shall be designated by the Distributor pursuant to paragraph (c) of this Article period of "protection," if any, specified in the Schedule shall begin upon the day after the expiration of the four weeks' period specified in paragraph of this Article.

IN WITNESS WHEREOF, the parties hereto have signed and sealed this instrument the day and year first above written.

ITED ARTISTS CORPORATION

Accepted.....(L.S.)
President.

Date.....192

L P Gorman Exhibitor (L.S.)

By.....(L.S.)

Address.....

2032

D-3

the provisions of the contract between said Distributor and said Exhibitor provided (or by the conditions of their submission in writing executed by said Distributor and Exhibitor respectively and sealed with their respective seals and duly acknowledged) and after having taken the oath and after hearing the proofs and allegations of the said parties and due deliberation having been made we do hereby award, determine and order; that is to say:

(Here express in clear and precise terms the award so that nothing shall be left uncertain. The award should be final in its terms so as to terminate the controversy.)

Unanimous decision that the Board of Arbitration find for United Artists Corporation and directs that Mr. L. P. Gorman operating the Maine Theatre be obligated to play The Devil Dancer and Ramona each one additional week.

Upon the failure of the exhibitor to fully comply with this award within seven days from the date thereof the sum of $500.00 is hereby fixed as the maximum amount which each distributor a member of the Film Board of Trade having a contract with the exhibitor may demand pursuant to the provisions of the Arbitration Clause contained therein as security for the performance by the exhibitor of each such contract.

In witness whereof we have subscribed this award this 7th day of Sept. 1928.

[fol. 2030] W. H. Erbb (L. S.), C. G. Holmes (L. S.), C. Morse (L. S.), Harry Segal (L. S.), (Illegible) (L. S.), ditto (L. S.).

STATE OF MASSACHUSETTS,
County of Suffolk:

On this 7th day of September, 1928, before me, a Notary Public in and for said County and State, personally appeared —— ——, known to me to be the individuals described in and who executed the foregoing instrument, and they duly acknowledged to me that they executed the same.

Martha W. Ferris. My Commission expires February 11, 1932.

(Here follow photostats marked side folio pages 2031 and 2032 & 2033)

[fol. 2034] Form No. 1

Board of Arbitration

Complaint

Oct. 19, 1926.

DEAR SIR: We attach hereto a contract entered into with J. B. Harte exhibitor, operating the Opera House Theatre, at ——, in the City of Bennington, Vt.

We respectfully complain against said exhibitor as follows:

(Here insert a plain and concise statement of facts.)

We hold contract with this Exhibitor for Son of the Shiek—$85. and 65% of the gross receipts over $350. The picture was played Sept. 24-25. The first day's receipts were $311.95. Our Checker informs us that in his opinion, they played to more people the second day than they did the first day, but on Saturday, Mr. Harte wanted our Checker to sign report for 228 seats @ 35¢—$79.80, and 82 seats @ 15¢—$12.30, making the total receipts for Saturday $92.10, or a total on the two days of $404.05, and wanted to give our Checker the amount of $35.13, which is 65% of the gross over $350.

We desire this case brought before the Board of Arbitration, so that proper settlement of this engagement may be made.

We desire you to advise the exhibitor of our claim, and if it is denied, or if the exhibitor fails to respond to your communication, or if an answer is received and it is not satisfactory to us, we desire our claim brought before the Board of Arbitration for determination.

Very truly yours, United Artists Corporation, Distributor. H. T. Scully, Manager.

[fol. 2035] Form No. 2

Film Board of Trade, 204 Stuart Street, Boston, Mass.

October 21, 1928.

Mr. J. B. Harte, Opera House, Bennington, Vt.

DEAR SIR: The United Artists Corp., Distributors makes a claim against you alleging the following facts:

You contracted for Son of the Sheik, $85.00 and 65% of the gross receipts over $350. Picture was played Sept. 24-25. First day's receipts were $311.95. Checker informs that in his opinion you played to more people the second day than the first day, but on Saturday you wanted the United Artists Checker to sign report for 228 seats @ 35¢—$79.80, and 82 seats @ 15¢—$12.30, making the total receipts for Saturday $92.10 or a total on the two days of $404.05, and wanted to give their checker the amount of $35.13, which is 65% of the gross over $350.00.

United Artists Corporation request that proper settlement of this engagement be made.

This complaint will be presented to the Joint Board of Arbitration for their consideration on Friday, November 5th at two o'clock this address.

Please answer at your earliest convenience if the facts claimed by the Distributor are true. If you dispute the facts or any of them, then make a plain and concise statement of the facts as you claim them to exist.

It is extremely important that we hear from you at your very earliest convenience.

Very truly yours, Film Board of Trade. —— ——,
Secretary.

[fol. 2036] The Harte Theatre. Bennington Opera House
John B. Harte, Proprietor

Phone 89-M

Bennington, Vt., Oct. 27, 1926, 192-.

Film Board of Trade, Boston, Mass.

GENTLEMEN: Your communication, of the twenty-first, regarding the United Artists complaint is at hand and in reply wish to say that part of their statement is correct; that we rented Son of A Sheik for eighty-five dollars, for two days with a split above three hundred fifty dollars of sixty-five thirty-five—this much is correct but I am at loss to understand how their checker arrived at such an erroneous conclusion unless he was mistaken when he took the last numbers on the first day, which he took through a little

hole in the cashier's window. My cashier informs me that he did not come into the office to get the numbers.

My box office receipts call for 521 admissions at 35 cts, 90 at 15 cts and 67 passes, 678 patrons for Friday and 532 at 35 cts, 82 at 15 cts., and 47 passes, 661 patrons; which is an unusually large attendance and business for my house.

The House seats 477 ground floor and on account of the crude construction of the balcony which seats a little less than a hundred. We seldom get people to go upstairs they much prefer to wait in the lobby for the next show, and we are not allowed to stand anyone in back of theatre.

We ran two shows each evening and I am perfectly satisfied with my box office statement for these two days. When the checker got into this muddle I immediately checked up my cash and found same balanced with the tickets sold from the reel of course that is all I can ask for. The business amounts to $394.35 cts. leaving $44.35 cts to share on.

The checker's statement that I wanted him to sign a report for 228 seats at 35 cts. and 82 seats at 15 cts. is absolutely false. I never asked him to sign for anything, but did offer him a check to carry out the terms of my contract.

Trusting this is the information you require to act on the United Artists' complaint and assuring you that if there is any information I can furnish you with I'll gladly do so.

Very sincerely yours, J. B. Harte.

[fol. 2037] Form No. 3

Board of Arbitration of N. E.

October 30, 1926.

Mr. J. B. Harte, Opera House, Bennington, Vt.

Dear Sir: On October 21st the Film Board of Trade here notified you of the claim against you by the United Artists Corp. Distributor based upon the facts set forth in such notice.

To this date you have not answered such claim.

Please, therefore, take notice that in accordance with your agreement with said Distributor the said claim has been submitted to this Board of Arbitration for determina-

tion pursuant to the rules of Procedure and Practice now in force.

A hearing will be held at 204 Stuart St. in the City of Boston on Fri., Nov. 5th at two o'clock at which time you are respectfully requested to appear before this Board and you will then be given an opportunity to be fully heard and to submit such evidence as you have bearing upon the said claim.

Yours very truly, Board of Arbitration, by ——, ——, Secretary.

[fol. 2038] The Harte Theatre. Bennington Opera House
John B. Harte, Proprietor

Phone 89-M

Bennington, Vt., Nov. 7, 1926. 192-.

Mr. H. F. Scully, President Film Board of Trade, Boston, Mass.

Dear Sir: Your communication regarding decision of your Film Board is at hand and contents carefully noted. I note your Board states that "Owing to the fact that the exhibitor has not seen fit to give the distributor a signed statement of the box office receipts on the engagement "The Son of a Sheik, the Board of Arbitration have decided that the exhibitor pay $178.35 to the United Artists Corporation.

I wish to state that this award of $178.35 to the United Artists Corporation is made on an absolutely false statement. I have never refused to furnish a Box Office statement to the United Artists Corporation. The United Artists did not furnish the box office blank statements on this picture as they have on all other percentage pictures. I offered the United Artists Checker a statement and check for the amount due them—this he refused and for your information I wish to conclude this letter by saying that if forty film boards rendered an unfair decision of this kind I would not abide by it for one minute. You come ahead and I will go to the Courts where I am sure I will get justice.

Very truly, J. B. Harte, O. M. G.

[fol. 2039] Form No. 10

In the Matter of Arbitration of United Artists Corp., Distributor, and J. B. Harte, Opera House, Bennington, Vt., Exhibitor

Form of Submission

Board of Arbitration

A controversy, dispute or difference between the undersigned having arisen and relating to a subject matter the nature of which, briefly stated, is as follows:

Contracted for Son of the Sheik, $85.00 and 65% of the gross receipts over $350.00. Picture was played Sept. 24-25. First day's receipts were $311.95. Checker informed that in his opinion they played to more people the second day than they did the first, but on Saturday Mr. Harte wanted checker to sign report for 228 seats at 35c, $79.80, and 82 seats at 15c, $12.30 of $404.05 and wanted to give checker $35.13, which is 65% of gross over $350.

pursuant to Contract for exhibition of motion picture films, dated the — day of ——.

We do hereby voluntarily submit the dispute and all questions and matters concerning same to —— ——, arbitrators of the Board of Arbitration of the Film Board of Trade of N. E. and the Motion Picture Theatre Owners of N. E. for hearing and decision pursuant to the rules adopted by the said Board of Arbitration and pursuant to regulations now on file in the office of the Motion Picture Producers & Distributors of America, Inc., and identified by the signature of its President; and we agree to abide by and perform the decision, award, order, orders, and the judgment that may therein and thereupon be made under and pursuant to and by virtue of this submission within — days.

The parties hereto hereby subject themselves to the same consequences provided for in the arbitration clause of the uniform exhibition contract in the event of failure to comply with any award made by the Arbitration Board pursuant to this submission.

[fol. 2040] We do hereby waive the oath of the arbitrators.

Dated at Boston, Massachusetts, November 5, 1926.

United Artists Corp. H. F. Sculley (L. S.), —— —— (L. S.).

STATE OF MASSACHUSSETTS,
County of Suffolk:

On this 5th day of November, 1926, before me, a Notary Public in and for said County and State, personally appeared —— ——, known to me to be the individuals described in and who executed the foregoing instrument, and they duly acknowledged to me that they executed the same.

—— ——, Notary Public. My commission expires February 11, 1932.

[fol. 2041] Form No. 4

City: Boston.
State: Massachusetts.
County: Suffolk.

In the Matter of the Arbitration of UNITED ARTISTS CORP., Distributor, and J. B. HARTE, Opera House, Bennington, Vt. Exhibitor

We, the undersigned arbitrators, having been duly appointed to arbitrate the matters in controversy existing between the above named Distributor and Exhibitor as by the provisions of the contract between said Distributor and said Exhibitor provided (or by the conditions of their submission in writing executed by said Distributor and Exhibitor respectively and sealed with their respective seals and duly acknowledged) and after having taken the oath and after hearing the proofs and allegations of the said parties and due deliberation having been made we do hereby award, determine and order: that is to say:

(Here express in clear and precise terms the award so that nothing shall be left uncertain. The award should be final in its terms so as to terminate the controversy.)

Motion, G. Sellman.
Seconded, H. R. Williams.

It was the unanimous decision of the Joint Board of Arbitration that the exhibitor pay to the distributor $178.35 as an overage on the engagement of Son of the Sheik. Owing to the fact that the exhibitor has not seen fit to give distributor a signed statement of the box office receipts, the amount of $178.35 has been arrived at by the following computations: The first day's receipts on Friday being $311.95 it was accepted that Saturday's receipts were also $311.95 and according to the terms of the contract the overage in that event would be $178.35.

The amount of $178.35 should be paid by the exhibitor to the distributor within seven days.

In witness whereof we have subscribed this award this 5th day of November, 1926.

[fol. 2042] H. R. Williams (L. S.), R. C. Cropper (L. S.), William W. Laycock (L. S.), H. H. Eckman (L. S.), Geo. Sellman (L. S.), J. L. Roth (L. S.).

STATE OF MASSACHUSETTS,
County of Suffolk:

On this 5th day of November, 1926, before me, a Notary Public in and for said County and State, personally appeared H. R. Williams, R. C. Cropper, Wm. F. Laycock, H. H. Eckman, Geo. Sellman, J. L. Roth, known to me to be the individuals described in and who executed the foregoing instrument, and they duly acknowledged to me that they executed the same.

Martha W. Ferris, Notary Public. My commission expires February 11, 1932.

(Here follows photostat marked side folio pages 2043 and 2044—folio 2045 missing)

[fol. 2046 & 2047] GOVERNMENT EXHIBIT 32

New York Film Board of Trade Arbitration Case

[fol. 2048] Phone: Main 8767

Film Board of Trade of Albany, Strand Theatre Building, 110 No. Pearl Street, Albany, N. Y.

Officers: A. J. Herman, President; J. H. Morgan, Vice-President; Jane M. Holloran, Secretary and Treasurer.

COPY

2V 1889

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Form S. E. C. 50 M SETS 10-28

EXCHANGE OFFICE COPY

I .....

Exchange Contract No.

Dated Aug. 19 1926

Salesmth .....

BOSTON

Exchange

12811

Form 41 number

Home Office Contract No.

UNITED ARTISTS CORPORATION

"SOLD INDIVIDUALLY—ON MERIT"

APPLICATION AND CONTRACT

(Standard Exhibition Contract)

City Bennington, Vt. Theatre Opera House Exhibitor .....

SCHEDULE

Title of Photoplay Son of Sheik Star or Producer .....

Exhibition dates: The Exhibitor agrees to exhibit said photoplay at said theatre for 2 consecutive days, commencing on the 1 day of Oct., 1926.

(Use either A or B)

A. GUARANTEE AND PERCENTAGE

(A) The Exhibitor agrees to pay to the Distributor as license fee for the license granted hereunder the guaranteed sum of $85.00 plus 65 % of gross receipts in excess of $350.00, of which sum the sum of $..... is herewith paid on account thereof and the receipt of said payment on account is hereby acknowledged. The said payment on account shall not be returnable by the Distributor if the Distributor accepts this contract.

B. FLAT RENTAL

(B) The Exhibitor agrees to pay to the Distributor as license fee for the license granted hereunder the sum of $..... of which license fee the sum of $..... is paid herewith and receipt thereof is hereby acknowledged. The said payment on account shall not be returnable by Distributor if Distributor accepts this contract.

Run 1st Zone ..... Protection .....

The Exhibitor agrees to spend not less than $..... for advertising said photoplay which shall include lithographs, bill poster advertising and all other advertising. In the event that the Exhibitor does not spend the amount above mentioned for advertising said photoplay, Exhibitor shall pay to Distributor in addition to all other payments hereinbefore provided to be made by Exhibitor to Distributor, a sum equal to 5% of the gross receipts of the exhibition of said photoplay.

The Exhibitor also agrees to advertise and announce each photoplay as a " ."

In all newspaper advertising and publicity issued by the Exhibitor relating to said photoplays, the Exhibitor shall adhere to the form of announcement contained in the advertising matter issued by the Distributor.

ADVERTISING ACCESSORIES ORDER

	POSTERS				Window Cards	LOBBY PHOTOS		Insert Cards	8 x 10 Stills	Slides	Press Book	Music Cue	Heralds	Mats Ordered by Number
	1 Sheets	3 Sheets	6 Sheets	24 Sheets		Sets 22 x 28	Sets 11 x 14							
Number of														

The Distributor's right to approve or reject this application or any other application signed by the Exhibitor at the same time, or any other application or this application.

"Application will be void, is not dependent upon the approval or rejection by the Distributor of such other application or this application. unless signed immediately if the Exhibitor does not sign as indicated."

AGREED TO.....

Exhibitor.

"No license is granted hereby to the Exhibitor to exhibit any print of the photoplay herein specified, upon which sound is recorded, or to use any device upon which sound is recorded or with the Picture, in connection with, or as an accompaniment to the said photoplay. All such rights are reserved by the Distributor and are licensed exclusively in writing."

1. The Distributor shall have the right to exhibit and/or cause to be exhibited as a "roadshow," at any time prior to the exhibition thereof hereunder, such of the photoplays licensed hereunder as the Distributor may from time to time select and determine, provided, however, that such roadshow exhibition shall be at theatres at which admission prices for reserved seats, during such exhibition thereof, of not less than one dollar shall be charged for the majority of the orchestra seats, and further provided that, except in the cities of New York, and Los Angeles, not more than two of such photoplays shall be so roadshown.

If any such roadshow exhibition shall be in the city of New York, N. Y., and if the Exhibitor's theatre be situated in a territory then served by the Distributor's exchange or exchanges located in said City, the Distributor shall have the right to except and exclude from this license any such photoplay (not exceeding in the aggregate two of such photoplays) so roadshown in said City upon sending written notice to that effect to the Exhibitor not later than eight weeks after the commencement of such roadshow exhibition in such City, provided the Distributor shall by like notice accept and exclude such photoplay from all other contracts containing this clause and licensing the exhibition of such photoplay in such territory. Such exception and exclusion shall not be affected in case the Distributor shall inadvertently omit to send such notice to any of such other exhibitors.

If any such roadshow exhibition shall be in the city of Los Angeles, Cal., and if the Exhibitor's theatre be situated in the territory then served by the Distributor's exchange or exchanges located in said City, the Distributor shall have the right to except and exclude from this license any such photoplay (not exceeding in the aggregate two of such photoplays) so roadshown in said City, upon the same terms and conditions above provided for the exception and exclusion of photoplays roadshown in the city of New York.

If, and when any such roadshow exhibition (except any roadshow exhibition in New York and/or Los Angeles shall be in the territory served by the Distributor's exchange or exchanges serving the Exhibitor's theatre, such photoplays so roadshown in such territory shall forthwith be excepted and excluded from this license. The Distributor shall send written notice to that effect, to the Exhibitor within fourteen (14) days after such roadshow exhibition commences.

The Distributor may at any time in the United States, and not excepted and excluded from this license as aforesaid, shall not be deemed available for exhibition hereunder exercise such right to except and exclude any such photoplay from time to time, in the respective territories, as above defined, to the United States. Any photoplay so roadshown as aforesaid, until after the completion of such roadshowing of such photoplay in the United States, and such photoplay shall be exhibited hereunder as and when available.

For such photoplay that the Distributor shall except and exclude, as aforesaid, the Exhibitor is hereby granted the option to except and exclude from this license one of the other photoplays licensed hereunder, but only if the Exhibitor shall give to the Distributor written notice to that effect not later than fourteen days before the date fixed for the exhibition hereunder of such other photoplays. The Distributor may exhibit and/or license the exhibition of any and all photoplays excepted and excluded from this license by the Distributor and/or the Exhibitor, as aforesaid, when and where desired by it, free from all claims of the Exhibitor in respect thereof.

2. If this contract calls for payment or any part thereof computed upon the Exhibitor's gross receipts such payment or any part thereof shall be made daily, together with a correct itemized statement of the gross receipts of said theatre for admission thereto upon the exhibition date or dates of such photoplay for which payment is so required to be made. Should the Distributor so require, such itemized statement shall be made upon forms furnished by the Distributor. Upon such date or dates an authorized representative of the Distributor is hereby given the right to verify the sale of all tickets of admission to said theatre, and the receipts therefrom; and for such purpose shall have access to the theatre, including the box office, and also the right to examine the Exhibitor's books and records insofar as they relate to such gross receipts. The Distributor or its authorized representative, shall also have access for a period of sixty (60) days after the receipt by the Distributor of the final box office statement, to all of the Exhibitor's books and records for the purpose of verifying such box office statement. The Distributor agrees that any information obtained by it pursuant to the provisions of this clause will be treated as confidential, except in any arbitration proceedings or litigation in respect of this contract. The Distributor agrees, unless such representative be a regular employee of the Distributor, not to employ as such representative any person connected or regularly employed in the place where the Exhibitor's theatre is located, excepting with the consent of the Exhibitor.

3. If the license fee of any photoplay licensed hereunder is to be computed either in whole or in part, upon a percentage of the gross admission receipts of said theatre, and if the Exhibitor fails or refuses to exhibit such photoplay as provided in this contract, the Exhibitor shall pay to the Distributor as liquidated damages for each day that the Exhibitor fails or refuses to exhibit such photoplay (in addition to any fixed sums payable hereunder in respect of such photoplay) a sum equal to such percentage of the average daily gross receipts of such theatre during the period of thirty (30) operating days immediately prior to the date or dates when such photoplay should have been so exhibited, provided, however, that if the Exhibitor shall exhibit such photoplay for less than the full number of days provided for in this contract, such sum equal to such percentage shall be computed, upon a sum equal to seventy-five per cent (75%) of the gross receipts of said theatre for the last day of the exhibition thereof of such photoplay.

IN WITNESS WHEREOF the Distributor above named and ..... the Exhibitor operating .....

days each week with ..... changes of program the ..... Theatre, located at .....

in the ..... State of ..... have executed this instrument the .....

..... Witness, which time completion of the photoplays shall be deemed to be the license to the Exhibitor for the exhibition of the

(Standard Exhibition Contract)

City Bennington, Vt. Theatre Opera House Exhibitor

SCHEDULE

Title of Photoplay Son of Sheik Star or Producer

Exhibition dates: The Exhibitor agrees to exhibit said photoplay at said theatre for 2 consecutive days, commencing on the 1 day of Oct., 192 6

(Use either A or B)

A. GUARANTEE AND PERCENTAGE

(A) The Exhibitor agrees to pay to the Distributor as license fee for the license granted hereunder the guaranteed sum of $ 85.00 plus 65 % of gross receipts in excess of $ 350.00, of which sum the sum of $ is herewith paid on account thereof and the receipt of said payment on account is hereby acknowledged. The said payment on account shall not be returnable by the Distributor if the Distributor accepts this contract.

B. FLAT RENTAL

(B) The Exhibitor agrees to pay to the Distributor as license fee for the license granted hereunder the sum of $ of which license fee the sum of $ is paid herewith and receipt thereof is hereby acknowledged. The said payment on account shall not be returnable by Distributor if Distributor accepts this contract.

Run 1st Zone Protection

The Exhibitor agrees to spend not less than $ for advertising said photoplay which shall include lithographs, bill poster advertising and all other advertising. In the event that the Exhibitor does not spend the amount above mentioned for advertising said photoplay, Exhibitor shall pay to Distributor in addition to all other payments hereinbefore provided to be made by Exhibitor to Distributor, a sum equal to 5% of the gross receipts of the exhibition of said photoplay.

The Exhibitor also agrees to advertise and announce each photoplay as a " "

In all newspaper advertising and publicity issued by the Exhibitor relating to said photoplays, the Exhibitor shall adhere to the form of announcement contained in the advertising matter issued by the Distributor.

ADVERTISING ACCESSORIES ORDER

	POSTERS				Window Cards	LOBBY PHOTOS		Insert Cards	8 x 10 Stills	Slides	Press Book	Music Cue	Heralds	Mats Ordered by Number
	1 Sheets	3 Sheets	6 Sheets	24 Sheets		Sets 22 x 28	Sets 11 x 14							
Number of														

The Distributor's right to approve or reject this application or any other application signed by the Exhibitor at the same time, or any other time, is not dependent upon the approval or rejection by the Distributor of such other application or this application.

"Application will be rejected immediately if the Exhibitor does not sign as indicated."

AGREED TO

Exhibitor.

"No license is granted herein to the Exhibitor to exhibit any print of the photoplay herein specified, upon which sound is recorded, or to use any device upon which sound is recorded, or for the Photoplay, in connection with, or in synchronization with, or as an accompaniment to the said photoplay. All such rights are reserved by the Distributor and are licensed separately in writing."

1. The Distributor shall have the right to exhibit and/or cause to be exhibited as a "roadshow," at any time prior to the exhibition thereof hereunder, such of the photoplays licensed hereunder as the Distributor may from time to time select and determine, provided, however, that such roadshow exhibition shall be at theatres at which admission prices for evening performances, during such exhibition thereof, of not less than one dollar shall be charged for the majority of the orchestra seats, and further provided that, except in the cities of New York, and Los Angeles, not more than two of such photoplays shall be so roadshown.

If any such roadshow exhibition shall be in the city of New York, N. Y., and if the Exhibitor's theatre be situated in a territory then served by the Distributor's exchange or exchanges located in said City, the Distributor shall have the right to except and exclude from this license any such photoplay (not exceeding in the aggregate two of such photoplays) so roadshown in said City upon sending written notice to that effect to the Exhibitor not later than eight weeks after the commencement of such roadshow exhibition in such City, provided the Distributor shall by like notice except and exclude such photoplay from all other contracts containing this clause and licensing the exhibition of such photoplay in such territory. Such exception and exclusion shall not be affected in case the Distributor shall inadvertently omit to send such notice to any of such other exhibitors.

If any such roadshow exhibition shall be in the city of Los Angeles, Cal., and if the Exhibitor's theatre be situated in the territory then served by the Distributor's exchange or exchanges located in said City, the Distributor shall have the right to except and exclude from this license any such photoplay (not exceeding in the aggregate two of such photoplays) so roadshown in said City, upon the same terms and conditions above provided for the exception and exclusion of photoplays roadshown in the city of New York.

If, and when any such roadshow exhibition (except any roadshow exhibition in New York and/or Los Angeles shall be in the territory served by the Distributor's exchange or exchanges serving the Exhibitor's theatre, such photoplays to roadshown in such territory shall forthwith be excepted and excluded from this license. The Distributor shall send written notice to that effect to the Exhibitor within fourteen (14) days after such roadshow exhibition commences.

The Distributor may at exercise such right to except and exclude any such photoplay from time to time, in the respective territories, as above defined, to the United States. Any territory or territories of any there in the United States, and not excepted and excluded from this license as aforesaid, shall not be deemed available for exhibition hereunder until after the completion of such roadshowing of such photoplay in the United States, and such photoplay shall be exhibited hereunder as and when available.

For each photoplay that the Distributor shall except and exclude, as aforesaid, the Exhibitor is hereby granted the option to execut and exclude from this license one of the other photoplays licensed hereunder but only if the Exhibitor shall give to the Distributor written notice to that effect not later than fourteen days before the date fixed for the exhibition hereunder of such other photoplays. The Distributor may exhibit and/or license the exhibition of any and all photoplays excepted and excluded from this license by the Distributor and/or the Exhibitor, as aforesaid, when and where desired by it, free from all claims of the Exhibitor in respect thereof.

2. If this contract calls for payment or any part thereof computed upon the Exhibitor's gross receipts such payment or any part thereof shall be made daily, together with a correct itemized statement of the gross receipts of said theatre for admission thereto upon the exhibition date or dates of each photoplay for which payment is so required to be made. Should the Distributor so require, such itemized statement shall be made upon forms furnished by the Distributor. Upon such date or dates as authorized representative of the Distributor is hereby given the right to verify the sale of all tickets of admission to said theatre, and the receipts therefrom; and for such purpose shall have access to the theatre, including the box office, and also the right to examine the Exhibitor's books and records insofar as they relate to such gross receipts. The Distributor or its authorized representative shall also have access for a period of sixty (60) days after the receipt by the Distributor of the final box office statement, to all of the Exhibitor's books and records for the purpose of verifying such box office statement. The Distributor agrees that any information obtained by it pursuant to the provisions of this Clause will be treated as confidential, except in any arbitration proceeding or litigation in respect of this contract. The Distributor agrees, unless such representative be a regular employee of the Distributor, not to employ as such representative any person a resident of or regularly employed in the place where the Exhibitor's theatre is located, excepting with the consent of the Exhibitor.

4. If the license fee or any photoplay licensed hereunder is to be computed either in whole or in part, upon a percentage of the gross admission receipts of said theatre, and if the Exhibitor fails or refuses to exhibit such photoplay as provided in this contract, the Exhibitor shall pay to the Distributor as liquidated damages for each day that the Exhibitor fails or refuses to exhibit such photoplay (in addition to any fixed sums payable hereunder in respect of such photoplay) a sum equal to such percentage of the average daily gross receipts of said theatre during the period of thirty (30) operating days immediately prior to the date or dates when such photoplay should have been so exhibited, provided, however, that if the Exhibitor shall exhibit such photoplay for less than the full number of days provided for in this contract, such sum equal to such percentage shall be computed, upon a sum equal to seventy-five per cent (75%) of the gross receipts of said theatre for the last day of the exhibition thereof of such photoplay.

IN WITNESS WHEREOF the Distributor above named and the Exhibitor operating days each week with changes of program the Theatre, located at in the State of have executed this instrument the day of 19, which upon acceptance by the Distributor shall be deemed to be the license to the Exhibitor for the exhibition of the photoplays specified in the Schedule in accordance with the terms hereof.

UNITED ARTISTS CORPORATION

J. B. Harte (s) Exhibitor (L.S.)

Accepted General Manager of Distribution (L.S.)

By (L.S.)

Date 192

Address

* DIRECTION TO SALESMEN: While you have every right to trade among prospective customers to obtain the best offer possible for your product, after you have selected a particular exhibitor whose offer you believe to be the best obtainable and take a written application from such exhibitor, you are hereby directed to forward the application to the office of your company and make no further effort to sell the same service to any other exhibitor directly competing with such exhibitor until the application so forwarded has been duly rejected, accepted or withdrawn in accordance with its terms. A violation of this direction will subject you to discharge.

HIRAM ABRAMS

2043-2044

February, 11th, 1927.

Mr. L. J. Phillips, New York Film Board of Trade, 1560 Broadway, New York City, N. Y.

My Dear Mr. Phillips: When I was talking with you over the 'phone I told you I would let you know the disposition of the cases of the various Exchanges versus Robbins Enterprises Inc., Utica, and Watertown, N. Y.

Our Board ruled that the Robbins Enterprises were responsible for the contracts.

I would greatly appreciate your advising me if the United Artists Corporation, who are members of your Film Board of Trade, have let any service go out to the Victory Theatre, Cambridge, N. Y., which account now appears on our Arbitration Information List and has appeared thereon for some time. This office has been notified that United Artists pictures have been shown in Cambridge, and would like to have you check this matter up for me.

Thanking you, I beg to remain,

Yours very truly, Board of Arbitration. Jane M. Halloran, Sec'y.

112-1.

[fol. 2049] Feb. 16, 1927.

Miss Jane M. Halloran, Albany Film Board of Trade, 110 No. Pearl Street, Albany, N. Y.

My Dear Miss Halloran: Thank you very much for the information contained in your letter of February 11th, in reference to the Utica and Watertown theatres. We will guide ourselves accordingly.

In reference to the United Artists Corporation and the Victory Theatre, Cambridge, N. Y., we find on investigation that no service has been furnished this theatre by United Artists since last Fall. We believe the last picture on their contract was shipped in the early part of November.

We notice that the theatre in question is listed on the Credit Information List, Messrs. Connors and Fischer being noted as the new owners. Please advise if these parties are the ones against whom the award was rendered by

your Arbitration Board in order that we can determine if the theatre should be listed on our Cash Deposit Sheet.

Very truly yours, New York Film Board of Trade,
by —— ——.

JTC:ML.

P. S.—We removed this theatre from recent Arbitration Lists in view of the fact that the theatre is also carried in cooperation with you on our Credit Sheet. We do not, save in exceptional instances, carry theatres on both lists simultaneously.

112-2.

[fol. 2050] March 28th, 1927.

Miss Audrey C. Liettel, Charlotte Film Board of Trade, 300 West Third St., Charlotte, N. C.

My Dear Miss Liettel: You will pardon my delay in answering your letter of March 22nd, 1927. My absence from the City prevented an earlier reply.

It is the practice in the New York Film Board of Trade that all members demand deposit and upon the failure of an exhibitor to comply with the demand, service is suspended upon written notice. This is true also of the distributor in whose favor an award is granted. The arbitration clause in the standard exhibition contract provides for the demanding of security by the distributor in whose favor the award is made as well as any other distributor who holds contracts with such exhibitor.

Furthermore, the rules and regulations relating to Arbitration, Section 3 thereof, provide as follows:

"3. Subject to the provisions of Rule II. on receipt of any such notice, each member having a contract (or representing a distributor having a contract) containing the arbitration clause with any such exhibitor shall demand payment by such exhibitor of such sum as in the judgment of such member or distributor shall be sufficient to protect such member * * *."

You will note from the foregoing that it becomes the duty of each member to make demand for cash deposit.

I am sure that Mr. Hess will agree with me in this.
Kindest regards.
Sincerely yours, —— ——, Atty. & Executive Sec'y
New York Film Board of Trade.

Above letter referred to not in file. PW. 112-3.
LP:C.

[fol. 2051] Phone: Main 8767

Film Board of Trade of Albany, Strand Theatre Building, 110 No. Pearl Street, Albany, N. Y.

Officers: A. J. Herman, President; J. H. Morgan, Vice-President; Jane M. Holloran, Secretary and Treasurer.

May 11th, 1927.

Mr. L. J. Phillips, New York Film Board of Trade, 1560 Broadway, New York City, N. Y.

Dear Mr. Phillips: Information has been received by this office that the Famous Players Company out of New York, are serving the McLean Theatre's at Woodstock, and Rosendale, N. Y.

This account has appeared on your confidential arbitration information sheet and on your Credit List also. Our members are in good standing with these accounts, but at the present time are withholding service in cooperation of your claim.

Please advise Famous Players action in this matter.
Kindest regards.
Yours very truly, Film Board of Trade of Albany.
Jane M. Halloran, Sec'y.

112-4.

[fol. 2052] May 16, 1927.

Miss Jane M. Halloran, Albany Film Board of Trade, 110 No. Pearl St., Albany, N. Y.

Dear Miss Halloran: Your communication in reference to the alleged violations of the rules by the Famous Players Exchange of this city in serving McLean's Theatres at Woodstock and Rosendale, N. Y. received.

We have checked the matter up very carefully at this end and find that this charge is without foundation. Famous Players, like other Exchanges in this city, are refusing service to this account.

If you have any information to the contrary, please advise us and oblige

Very truly yours, New York Film Board of Trade, by —— ——.

JTC:ML.

112-5.

[fol. 2053] Phone: Main 8767

Film Board of Trade of Albany, Strand Theatre Building, 110 No. Pearl Street, Albany, N. Y.

Officers: J. H. Morgan, President; H. H. Weinberg, Vice-Pres.; J. C. Bullwinkel, Treasurer; E. A. Pfister, Secretary.

July 27, 1927.

Mr. L. J. Phillips, New York Film Board of Trade, 1560 Broadway, New York, N. Y.

Dear Mr. Phillips, On July 13, 1927 I wired you that Opera House, Coxsacki, N. Y. was closed. This information was received from a number of the exchanges. However, on July 22nd Mr. Moran called at this office and advised me that his house was not closed; that he had not paid United Artists' award but wished to do so in order that he might get a picture for the following day, July 23rd.

I note that the above account was eliminated from your Credit Information List dated July 21st. I immediately telephoned your office and found that this had been done because of advice received from me that the house was closed. May I ask whether it is your practice generally to remove an account from your Credit List when the house has been closed?

Mr. Moran advised me that he was that day mailing United Artists check covering their award. In view of the circumstances we served him that day.

Will you kindly advise me the present status of this matter, and oblige.

With kindest personal regards, I am

Sincerely yours, Edna A. Pfister, Secretary Film Board of Trade of Albany.

112-12.

[fol. 2054] July 28, 1927.

Miss Edna Pfister, Albany Film Board of Trade, 110 No. Pearl St., Albany, N. Y.

DEAR MISS PFISTER: This is to acknowledge receipt of yours of July 27th in reference to the Opera House, Coxsackie.

Upon receipt of the information from you that the theatre is open, we immediately restored same to the active Confidential Information List, a copy of which you will receive presently.

We maintain in this office an inactive Confidential Information Sheet which contains a list of all closed theatres against which there are unsatisfied awards of the Joint Arbitration Board. As soon as we hear of a theatre reopening under the same management, we immediately transfer the theatre from the inactive to the active list.

We have taken this course with the Coxackie theatre and trust that your members will cooperate fully in securing a satisfactory settlement for United Artists.

It will be necessary, of course, for Exchanges having contracts to send out new cash deposit demand letters and permit the usual time to lapse before suspending service.

Before placing the Opera House, Coxsackie, on the active list we made an investigation at the United Artists Exchange and found that Mr. Moran failed to forward check covering the award, as promised.

Trusting this will make the situation clear to you and with kindest personal regards, I am

Very truly yours, New York Film Board of Trade, by —— ——.

JTC:ML.

112-13

[fol. 2055] August 17, 1927.

Miss Elsie Pfister, Albany Film Board of Trade, 110 North Pearl St., Albany, N. Y.

My Dear Miss Pfister: Mr. Walter Seaman of the Opera House, New Paltz, N. Y. desires to spot book a picture with one of our members for Saturday, August 20th, 1927. The excuse that he gives is that he had a picture of First National booked for that day which has not been released and it therefore will not be furnished to him on that day.

Kindly ascertain from First National Albany office if this information is correct and wire reply.

Thanking you for giving this matter your immediate attention and with best regards, I am

Very truly yours, —— ——, Att'y & Executive See'y
New York Film Board of Trade.

IP:FA.

112-14.

[fol. 2056] August 19, 1927.

Miss Edna Pfister, Albany Film Board of Trade, 110 No. Pearl St., Albany, N. Y.

My Dear Miss Pfister: On your Arbitration Information List of August 15th I note that Walter Seaman, operating the Cameo Theatre, Highland, N. Y., has failed to comply with an arbitration award. The only theatre listed is the Cameo Theatre, Highland, N. Y.

If Mr. Seaman is unable, because of his failure to comply with demands for security, to obtain service at the Highland Theatre, he will resort to an old practice of obtaining his service at the Opera House, New Paltz, or Advance Theatre, Marlboro, and will switch it to the Cameo Theatre, Highland.

Members are within their rights in demanding security under each existing contract with him. This would entitle them to demand security, for his failure to comply with an award, on all his theatres.

You are within your rights in listing all of his theatres on the Arbitration Award List. This will prevent Mr. Seaman from bicycling film.

Very truly yours, —— ——, Att'y & Executive Sec'y New York Film Board of Trade.

LP:ML.

112-15.

[fol. 2057] Phone: Main 8767

Film Board of Trade of Albany, Strand Theatre Building, 110 No. Pearl Street, Albany, N. Y.

Board of Directors: J. H. Morgan, Chairman; H. H. Weinberg, H. V. Worden, E. J. Hayes, J. H. Krause

Officers: J. H. Morgan, President; H. H. Weinberg, Vice-Pres.; J. C. Bullwinkel, Treasurer; E. A. Pfister, Secretary.

Members: Associated First National Pictures, Inc., Bond Photoplays Corp., N. Y. Exchange for Educational Films, Inc., Famous Players-Lasky Corporation, Film Booking Offices of America, Inc., Fox Film Corporation, Metro-Goldwyn-Mayer Dist. Corporation, Pathe Exchange, Inc., Producers Distributing Corporation, Tiffany Productsions, Inc., Universal Film Exchanges, Incorporated, Warner-Vitagraph, Inc.

August 23, 1927.

Mr. L. J. Phillips, New York Film Board of Trade, 1560 Broadway, New York, N. Y.

Dear Mr. Phillips: Thank you for your letter of the 19th instant regarding Walter Seaman, operating the Cameo, Opera House and Advance Theatres.

It is the practice of this Board, and I believe thoroughly understood by all members, that when an award is entered on the Arbitration Information List, they are within their rights in demanding security under each existing contract with such exhibitor, for his failure to comply with an award. Where several theatres are owned by an exhibitor appearing on the Arbitration Information List, only the theatre in

which the claim arose is listed, and it has always been assumed by the members of this Board that letters demanding security under each existing contract were to be sent, for all theatres so owned.

The above method has proven satisfactory in the past, however, I appreciate your suggestions along this line and wish to assure you I will appreciate likewise any further recommendations you might be able to offer me at any time.

With kindest personal regards, I am,

Sincerely yours, Edna A. Pfister, Secretary Film Board of Trade of Albany. 112-16.

[fol. 2058] First National Pictures, Inc., 1056 Broadway, Albany, N. Y.

Phones: Main 1883-4

First National Pictures

Aug. 16, 1928.

Mr. L. Nizer, Secy. Film Board of Trade, 1560 Broadway, New York City.

DEAR SIR: On the Arbitration Information list of June 6th the Albany Film Board of Trade notified your office that the Lyceum Theatre at Red Hook, N. Y. failed to abide by an arbitration decision rendered by the Albany Board in favor of this office. This same information has been mailed to you on each subsequent list by the Albany Film Board of Trade.

We are now advised that the Famous Players Lasky Corporation of New York City has taken a contract for fifty-two pictures from this theatre, which in our opinion is a direct violation of the Arbitration Rules and Regulations.

We would thank you to investigate this matter thoroughly with Famous Players at once and let us have an immediate reply as to why this violation was made.

Thanking you for giving this your usual prompt attention, we are

Very truly yours, First National Pictures, Inc. R. S. Wehrle, Manager.

RSW: CAR.
First National First.
112-19.

[fol. 2059] August 17, 1928.

Mr. R. S. Wehrle, First National Pictures, Inc., 1056 Broadway, Albany, N. Y.

DEAR SIR: An investigation reveals the fact that the New York Branch of Paramount Famous Lasky Corporation received an application yesterday, August 16, from the Lyceum Theatre, Red Hook, for twelve pictures and that this application has been rejected.

Ordinary business judgment would make the approval of this contract or any other, under these circumstances, very unlikely. An exhibitor who has breached a former contract and failed to comply with an award does not appear to me to be a very desirable purchaser.

May I, however, correct your impression that selling new product to an exhibitor who appears upon the Arbitration Award List is a violation of our rules. The rules require a cash deposit upon all contracts existing at the time of the default or award. They do not prevent a distributor from making a new contract with such an exhibitor. Any such restriction is to be found in the individual discretion of the branch manager who, it seems to me, should exercise his judgment against dealing with a proven bad risk.

Let me assure you of our endeavor in all matters to cooperate with you through your Film Board of Trade.

Very truly yours, —— ——, Atty. & Executive Sec'y.
New York Film Board of Trade.

LN: C.
112-20.

[fol. 2060] Film Booking Offices of America (F. B. O.), Incorporated; R-C Pictures Corporation, F. B. O. Studios, Inc., Los Angeles, Cal.

723 Seventh Avenue, 8th Floor, New York City

Settled

Feb. 2nd, 1927.

Joint Arbitration Board, 1560 Broadway, New York City

Re Royal Theatre, 1350 So. Blvd., New York

GENTLEMEN: The information supplied herewith is a summary of our complaint against the above theatre:

Date of Complaint: Feb. 2nd, 1927.
Amount of Claim: $15.00.
Cause of Action: Broken Contract.
Date of Assignment: ——.
No. of features assigned: ——.
Contract: (Series) ——; (Individual) ——.
Date of Contract: 9/23/26.
Remarks: The plaintiff having appeared and presented its proof before the Joint Arbitration Board, and the defendant having failed to appear, the defendant's default is hereby noted, this 16 day of Feb. 1927.

J. T. C., Chairman.

33-1.

[fol. 2061] Film Booking Offices of America, Inc.

New York Exchange 723 Seventh Avenue

Feb. 2nd, 1927.

F. I. L. M. Club, 1560 Broadway, New York City.

Re Royal Theatre, 1350 So. Blvd., New York City

Gentlemen: Attached hereto you will please find copy of complaint of this exchange against the above entitled theatre.

We would appreciate your assistance in procuring for us a satisfactory settlement of this claim. In the event that your efforts are unsuccessful, will you be good enough to transmit this complaint to the Joint Arbitration Board for adjudication?

Thanking you for your prompt consideration, we are,
Very truly yours, Film Booking Offices of America.
P. Hodes, Asst. Manager.

(Enc.)
33-2.

[fol. 2062] Film Booking Offices of America (FBO) Incorporated; R-C Pictures Corporation, F. B. O. Studios, Inc., Los Angeles, Cal.

8th Floor, 723 Seventh Avenue, New York City

Feb. 2nd, 1927.

F. I. L. M. Club, 1520 Broadway, New York City

Re Royal Theatre, 1350 So. Blvd., New York City; Contract U. Dated 9/23/26; signed by Bershap Theatre Corp., per Bernard Shapiro

GENTLEMEN: We hereby enter complaint against the above entitled theatre for violation of a contract held by this Exchange and enumerated herein.

First. The following feature under contract, booked on: Going the Limit—1/27.

Second. In accordance with the terms of our contract, we accepted from the above entitled exhibitor bookings on feature enumerated herein on the days and at the rental specified.

Reservation of prints were provided and the subject available for delivery on dates booked. Subject specified was left uncalled for at this Exchange.

Third. We therefore demand judgment in the sum of $15.00 for the violation of the terms of this contract complained of; payment to be made to us within a period of seven days from the determination of this case and the acceptance of new bookings to be left within the discretion or at the convenience of this Exchange.

Yours very truly, Film Booking Offices of America, Inc. P. Hodes, Asst. Manager.

33-3.

[fol. 2063] March 10, 1927.

F. B. O. Exchange, City.

GENTLEMEN: The application of the New Royal Th. Bronx to reopen your case against them was considered by the

Joint Arbitration Board at its hearing yesterday and the application was granted upon condition that the exhibitor deposit with the Joint Arbitration Board the sum of $15. the amount of your claim, as security for any award that may be obtained against him. Upon the deposit of such security the default is waived and a hearing granted and the case set down for hearing for the 23rd day of March, 1927. In the event of the default in depositing the security mentioned on or before the 16th day of March, 1927, the application for a reopening is denied.

Yours very truly, Joint Arbitration Board. ——
——, Sec'y.

FA.

33-9.

[fol. 2064] Merit Film Corporation, 729 Seventh Ave., New York City

Phone: Bryant 4200

If Merit Has it—It Has Merit

The plaintiff having appeared and presented its proof before the Joint Arbitration Board, and the defendant having failed to appear, the defendant's default is hereby noted, this 16 day of Feb., 1927.

J. T. C., Chairman.

Jan. 21, 1927.

Joint Arbitration Board, 1560 Broadway, New York City.
Re Royal Theatre, 1348 So. Blvd., City.

GENTLEMEN: We hereby enter a complaint against the above entitled theatre for violation of a contract held by this Exchange and enumerated herein.

First. Under the date specified the following contract was entered into between this Exchange and the above entitled exhibitor.

Second. On the uncompleted portion of this contract we have, from time to time, endeavored to procure bookings by notifying the exhibitor in writing; by phone communi-

cation and by direct appeals. The demands made herein have been ignored.

Therefore, under date of Jan. 13, 1927, we availed ourselves of the assignment portion of our contract and we, therefore, nominated to book the unplayed balance of these features which we enumerate below.

10/26/25	Transcontinental Ltd.	$15
	Winning the Futurity	15
	The Bells	20
	2 Rayarts @ $15	30
	3 Reed Howes @ $10	30
	8 H. C. Witwers @ $7.50	60
	8 Biff Comedies @ $5	40
	10 Gold Medals @ $5	50
		$260

Third. Having fully complied with the terms of this contract, we hereby request that judgment be rendered in favor of this Exchange in accordance with the assignment specified herein and that payment be due upon the aforementioned assigned dates.

Very truly yours, Merit Film Corporation, Distributors of Chadwick Pictures, by Harry Thomas, General Manager.

HHT:LA.
23-1.

[fol. 2065] New Royal Theatre, 1350 So. Blvd., Bronx, N. Y.

March 7th, 1927.

Film Arbitration Board, 1560 Broadway, New York City.

GENTLEMEN: I would like to have both the Merit and F. B. O. cases reopened.

The reasons for me not being able to be present at the time these cases came up is, first: because my cashier took sick and phoned me at 12 o'clock and second because I received a subpœna to appear as a witness in a case at the State Department of Labor.

Hoping to receive a new hearing, I beg to remain

Yours truly, Bershap Theatre Corp. Bernard Shapiro, Pres.

23-6.

[fol. 2066] Western Union

Received at Room 1141—1560 Broadway, N. Y.

N53 24. New York NY Mar 9 347P

Mr. Kronem. Film Arbitration Board. 1560 Broadway.

Could not be at meeting today Sick in bed Let me know what happened to Merit and F B O cases Send telegram collect.

B. Shapiro.

400P.

23-7.

[fol. 2067] March 9, 1927.

Mr. Shapiro, New Royal Theatre, 1350 Southern Blvd., New York City.

Dear Sir: The application to reopen the claims of Merit Film Corporation and F. B. O. Exchange against yourselves was considered by the Joint Arbitration Board at its hearing this day and your application was granted upon condition that you deposit with the Joint Arbitration Board the sum of $15. in the case of F. B. O. Exchange and the sum of $260. in the case of Merit Film Exchange as security for any award that may be obtained against you. Upon the deposit of such security the default is waived and a hearing granted and the case set down for hearing for the 23rd day of March, 1927. In the event of the default in depositing the security mentioned on or before the 16th day of March, 1927, the application for a reopening is denied.

Yours very truly, Joint Arbitration Board.

23-8.

[fol. 2068] March 10, 1927.

Merit Film Exchange, City.

Gentlemen: The application of the New Royal Th. Bronx to reopen your case against them was considered by the Joint Arbitration Board at its hearing yesterday and the application was granted upon condition that the

exhibitor deposit with the Joint Arbitration Board the sum of $260. the amount of your claim, as security for any award that may be obtained against him. Upon the deposit of such security the default is waived and a hearing granted and the case set down for hearing for the 23rd day of March, 1927. In the event of the default in depositing the security mentioned on or before the 16th day of March, 1927, the application for a reopening is denied.

Yours very truly, Joint Arbitration Board. ——
——, Sec'y.

FA.

23-9.

[fol. 2069] If Merit Has It—It Has Merit

Merit Film Corporation, 729 Seventh Ave., New York City

Phone: Bryant 4-2-0-0

March 19, 1927.

Film Board of Trade, 1560 Broadway, New York City.

Re Royal Theatre, 1348 So. Blvd., New York City

Gentlemen: Please be advised that we have received settlement from the above account.

Very truly yours, Merit Film Corporation, by E. V. Segall.

EVS:LA.
JTC.

Distributors of Chadwick Pictures.

23-10.

[fol. 2070] Big U Film Exchange, Inc., Universal Pictures
Sixteen Hundred Broadway, New York.

Carl Laemmle, Pres.

Phone: Chickering 8720

Complaint

Settled: The plaintiff having appeared and presented its proof before the Joint Arbitration Board, and the defend-

ant having failed to appear, the defendant's default is hereby noted, this 17 day of Oct., 1928.

J. T. C., Chairman.

Oct. 10, 1928.

Secretary Film Board of Trade, 1560 Broadway, New York City

DEAR SIR: We herewith file claim against Mayer & Schneider, operating the M. & S. Circuit, City, theatre located at ——.

Our claim briefly is as follows:

N. G. Note: On the 25th day of April 1928 the above named exhibitor in payment for services under contract issued and delivered a note for the sum of $1250 which was returned by the bank unpaid.

Note: $1250.00 Int. & Protest fees: $33.13. $1283.13.

We respectfully request that the above exhibitor be notified of this claim and if it is disputed or if exhibitor fails to make satisfactory answer, we desire that it be scheduled for hearing and determination before Joint Arbitration Board at an early date.

Very truly yours, Big U. Film Exchange, Inc. N. Goldberg, Assistant Manager.

NG*EW.

Received ——.
New York Film Board of Trade.
Received Oct. 11, 1922. New York Film Board of Trade.

Ex. #47. (5.)

47-1. Unsettled. P.W.

[fol. 2071] Complaint

United Artists' Corporation

Joseph M. Schenck, Chairman Board of Directors.

New York Exchange, 729 Seventh Ave., New York

Telephone: Bryant 7300

March 7, 1928.

Secretary Film Board of Trade, 1560 Broadway, New York City

DEAR SIR: We herewith file claim against W. J. Ernig operating the Ceneral Theatre, located at Albany, N. Y.

Our claim briefly is as follows:

Above named exhibitor has breached contract dated December 10, 1927 in failing to exhibit and pay for the following upon dates specified:

Subject	Date	Amount
Hill Billy	Feb. 10	$7.50
Richard Lion Hearted	Feb. 17	7.50
Paddy Next Best Thing	Feb. 24	7.50
Shreik of Araby	Mar. 2	7.50
Suzanna	Mar. 9	7.50

By reason thereof, we are entitled to recover from the said exhibitor the sum of $37.50.

We respectfully request that the above exhibitor be notified of this claim and if it is disputed or if exhibitor fails to make satisfactory answer, we desire that it be scheduled for hearing and determination before the Joint Arbitration Board at an early date.

Very truly yours, United Artists Corporation (Illegible) Office Manager.

Received Mar. 8, 1928. 12. New York Film Board of Trade.

MEE.
8-1.

[fol. 2072] Central Theatre, 94 Central Ave., Albany, N. Y.

Mar. 17, 1928.

N. Y. Film Board of Trade, 1560 Broadway, New York, N. Y.

Attention Mr. L. Phillips.

GENTLEMEN: Your letter with the complaint from United Artists against me received and contents noted.

I must say I certainly do dispute their complaint as I feel they have been very unreasonable with me inasmuch as I wrote them twice telling them the pictures had been played in my house before and that it would be suicide for me to run them again, explaining that my audience complain if I even so much as run a comedy that has shown in my house before.

All I asked for at the time was that United Artists have their representative call on me so that we could adjust the matter.

United Artists answered my second letter (which they had to do not being able to squeeze out of it by saying they had not received my letter, for I had registered and specialed it) saying that it was the first they had heard from me relative to the matter and that their Mr. Mahoney would call on me at his earliest convenience.

I am still waiting for Mr. Mahoney to call.

However, Mr. Mahoney called me by telephone from Hudson, N. Y., sometime ago. I told him at the time I could not play the pictures, he said he would sue me. I am still waiting for Mr. Mahoney to call.

Why Mr. Mahoney sold me a contract that had played my house and why United Artists approved such a contract is more than I can understand, for as far as I am able to learn a contract of that nature becomes void.

Every picture named in the complaint has played my house. I cannot show these pictures again.

I am not trying to squeeze out of my contract with United Artists, all I ask for is fair play, this United Artists refuses to give me.

Hoping this explains fully my position, I am

Very truly yours, Walter J. Ernig, Mgr., Per B. E.

[fol. 2073] Western Union

1928 Mar 28 AM 12 07.

ABC998 43 NL 1 Extra-Albany NY 27.

New York Film Board of Trade, New York, N. Y.:

Unable to appear at the New York Film Board of Trade tomorrow due to the fact I cannot get any one to keep our theatre open while I am away Kindly move this date up two weeks Advise me relative to the matter

W. J. Emig, Manager.

8-6.

[fol. 2074] United Artists Corporation

New York Exchange, 729 Seventh Avenue, New York

Joseph H, Schenck, Chairman Board of Directors; Mary Pickford, Norma Talmadge, Gloria Swanson, Charlie Chaplin, Douglas Fairbanks, David Wark Griffith, Samuel Goldwyn

Telephone: Bryant 7300

March 28, 1928.

Film Board of Trade, 1560 Broadway, New York City.

Gentlemen: With reference to communication addressed to you by the Central Theatre, Albany, and forwarded on to us for consideration, please be advised we cannot cancel out these pictures as they were sold with the understanding they were reissues, and we therefore look to the exhibitor for fulfillment of contracts.

Will you be kind enough to advise the exhibitor accordingly, and also inform us when we may assign new dates?

Thanking you for your consideration, we are

Very sincerely yours, United Artists Corporation.

Moe Streimer, Sales Manager.

MEE.

8-7.

[fol. 2075] March 29, 1928.

W. J. Emig, Central Theatre, 94 Central Ave., Albany, N. Y.

DEAR SIR: In answer to your telegram requestiong a postponement for two weeks in the case of United Artists against yourselves, please be advised that the Board has granted the postponement asked for peremptorily against yourselves.

We have communicated the contents of your letter of March 17th to the United Artists and are in receipt of a letter of which the enclosed is a copy.

The case will again be scheduled for hearing for April 11th of which you will receive a notice.

Yours very truly, Joint Arbitration Board. ——
——, Sec'y.

8-8

[fol. 2076] Exhib. Ex. 1.

Central Theatre, 94 Central Ave., Albany, N. Y.

April 9, 1928.

Joint Arbitration Board, 1560 Broadway, New York, N. Y.

GENTLEMEN: Your letter of Mar. 29, 1928 received and contents noted.

I wish to thank you for setting the date ahead, but as it will be impossible for me to appear, as I can not afford to leave my theatre will you kindly have the chairman of the board represent me?

I have also noted the contents of the letter from United Artists to you, which are not true.

The pictures were not sold to me with the understanding they were reissues or repeats. No mention was made to me by United Artists representative (Mr. Mahoney) that the pictures were reissues or repeats of course Mr. Mahoney knew I was green in the business and did not deem it necessary that I be advised that contract was reissues or repeats for if he had as green as I was I would not have signed the contracts.

There was nothing verbal or in my contracts to tell me these pictures were reissues or repeats, so I still take the stand that United Artists have broken their contract with me.

Had United Artists given me at least a little consideration, and sent Mr. Mahoney as they said they would things could have been straightened out a long time ago, but no, they had to send a complaint to you and now I feel that I do not care to do business with United Artists.

All the pictures in the complaint against me and a great many more have played my house. It would be suicide for me to run them again and as I told you before I can not run a repeat comedy without the crowds gathering around the box office complaining to the cashier that they have seen that old thing before.

I might as well put my cards on the table and tell you that I have a very run down theatre and that it has taken all of my money to run it. Right now I am running from day to day, depending on the receipts of the day to pay for my pictures for the next day. Should United Artists bring judgment against me I will be forced to close my doors.

Hoping this letter explains my difficulties and thanking you again, I am

Very truly yours, W. J. Ernig.

8-10-11-12.

[fol. 2077] Form No. 4

JPL

City: New York.
State: New York.
County: New York.

In the Matter of the Arbitration of UNITED ARTISTS CORP., Distributor, and W. J. ERNIG, Central Theatre, Albany, N. Y., Exhibitor

We, the undersigned arbitrators, having been duly appointed to arbitrate the matters in controversy existing between the above named Distributor and Exhibitor as by the provisions of the contract between said Distributor and said Exhibitor provided (or by the conditions of their submission in writing duly executed by said Distributor and Exhibitor respectively and after hearing the proofs and allegations of the said parties and due deliberation having been made we do hereby award, determine and order; that is to say:

The Board finds in favor of the Exchange for the full amount of the complaint, and finds that there was no fraud in the execution of the contract.

In witness whereof we have subscribed this award this 18 day of April 1928.

(Illegible) (L. S.), X- Hirsh (L. S.), Sam Schwartz (L. S.), M. Kusell (L. S.), Harry Suchman (L. S.), (Illegible) (L. S.).

STATE OF NEW YORK,
County of New York.

On this 18 day of April 1928 before me, a Notary Public in and for said County and State, personally appeared Milton Kusell, Edward Schnitzer, X- Hirsh, Harry Suchman, Al Harstein, Sam Schwartz known to me to be individuals described in and who executed the foregoing instrument, and they duly acknowledged to me that they executed the same.

John T. Cronin, Notary Public. My commission expires —— —, ——. Notary Public, Bronx County. Bronx County Clerk's No. 148. New York County Clerk's No. 811. Term Expires March 30, 1929.

8-14.
Ex. 8. (16.)

[fol. 2078] May 18, 1928.

Miss Edna A. Pfister, Film Board of Trade, 110 No. Pearl St., Albany, N. Y.

MY DEAR MISS PFISTER: Will you kindly advise where the Central Theatre, Albany, is obtaining its film? This theatre is on our Arbitration Award List, stop date May 7th and we are advised that same is running seven days a week.

Thanking you for any information you may give us in this matter, we are

Very truly yours, New York Film Board of Trade, by —— ——.

JTC:ML.
8-17.

[fol. 2079] United Artists Corporation

New York Exchange, 729 Seventh Ave., New York

Joseph M. Schenck, Chairman Board of Directors; Mary Pickford, Norma Talmadge, Glora Swanson, Charlie Chaplin, Douglas Fairbanks, David Wark Griffith, Samuel Goldwyn

Telephone: Bryant 7300

June 4, 1928.

Film Board of Trade, 1560 Broadway, New York City.

GENTLEMEN: We have a judgment against the Central Theatre Albany, N. Y. and would think you to let us know who is serving them with film.

Yours very truly, United Artists Corporation. (Illegibile,) Office Manager.

NB:CW.
8-18.

[fol. 2080] June 7, 1928.

Mr. Nat Beier, Office Manager United Artists Corpn., 729-7th Avenue, New York City.

DEAR MR. BEIER: We have yours of June 4th in reference to your failure to obtain action on your claim against the Central Theatre, Albany, New York.

We have written to the Secretary of the Albany Film Board of Trade asking for the status of this theatre and if open where film service is being obtained.

Will advise you further on receipt of a reply from Albany.

Yours very truly, —— ——, Attorney & Executive Secretary New York Film Board of Trade.

JC/JK.
8-19.

[fol. 2081] June 20, 1928.

United Artists

Re Central Th., Albany, N. Y.

GENTLEMEN: This theatre being closed at present, same does not appear on the active Arbitration Award List for your claim.

Very truly yours, New York Film Board of Trade.

8 20. ML.

[fols. 2082 & 2083] Note by Agent Watzman

2/28/29.

Miss Florence Abramson, Secy. of Arbitration Board, New York, N. Y. stated that her notes show that the Arbitration Board requested the presence of Mr. Mahoney, the United Artists salesman who made the sale of the contracts in dispute to W. J. Ernig, Albany, N. Y. That Mr. Mahoney testified before the Board that when he made the sale Mr. Ernig referred him to a Mr. Long or Lang, a former Warner Brothers booker at Albany, whom Mr. Ernig authorized to negotiate for him and who was helping Mr. Ernig. That Mr. Mahoney testified that he explained to Long or Lang that the pictures had played in that theatre some years before and that they were charging only $7.50 per picture for them notwithstanding the fact that they had been charging $25 and $30 for such reissues in the same vicinity. That after Mr. Ernig's helper had made the negotiations Mr. Ernig approved them in signing the contracts.

8-21.

[fol. 2084] Gov. Ex. 33

San Francisco Film Board of Trade Arbitration Board

[fol. 2085] Before the Joint Board of Arbitration of the Motion Picture Industry

Complaint

The undersigned hereby complains against Mrs. M. Yates, whose address is Empress Theatre, Alturas, Cal.,

for violating the provisions of a Standard Exhibition Contract dated Nov. 30 27, existing between the parties hereto, as follows:

(Here insert a plain and concise statement of facts.)

Exhibitor contracted to play McFaddens Flats for use Dec. 16 27 on a Guarantee and split of 50% over $100.00. She played the picture and remitted for the Guarantee but will not render us Box Office statement as contract calls for although we have written her Dec. 8 27, Dec. 30/27, Jan. 8, 12, 17, 24, 31, & Feby. 7, 1928.

We ask that the Board demand that she live up to the terms of the contract whereby she must furnish us with Box Office statement, and requests that a hearing before the Joint Board of Arbitration be had and an award be rendered hereon.

Dated Frby. 29 28.

First National Pictures, Inc., by (Name illegible.) (Signature of Manager.) (Name of Theatre or Exchange)

Notice of Hearing—24

To the parties above named:

Take notice that the foregoing complaint has been set for hearing and will be heard on Wednesday, March 7th, 1928, at 2 o'clock past noon sharp, at room 624, Golden Gate [fol. 2086] Building, No. 25 Taylor Street, San Francisco, Cal. Please be present with your witnesses and evidence or the hearing will proceed in your absence.

(Sgd.) Clare Foley, Secretary of the Board, 724 Golden Gate Bldg., San Francisco, Calif.

(All complaints must be fully filled out and signed in triplicate, the three copies to be filed with or mailed to the Secretary of the Board at room 1017 De Young Building, San Francisco. The matter will then be set for hearing and the parties notified.)

Ex. 204.

[fol. 2087] City: San Francisco.
State: California.
County: San Francisco.

In the Matter of the Arbitration of First National Pictures, Inc., Distributor, and Mrs. M. Yates, Operating the Empress Theatre, Alturas, Cal., Exhibitor.

We, the undersigned arbitrators, having been duly appointed to arbitrate the matters in controversy existing between the above named Distributor and Exhibitor as by the provisions of the contract between said Distributor and said Exhibitor provided (or by the conditions of their submission in writing executed by said Distributor and Exhibitor respectively and sealed with their respective seals and duly acknowledged) and after having taken the oath and after hearing the proofs and allegations of the said parties and due deliberation having been made, we do hereby award, determine and order; that is to say:

(Here express in clear and precise terms the award so that nothing shall be left uncertain. The award should be final in its terms so as to terminate the controversy.)

On December 16, 1927, Mrs. M. Yates exhibited the picture McFadden's Flats from First National Pictures a contract arrangement of 50% over $100.00. Mrs. Yates refused to furnish box office statement to First National Pictures — accordance with the terms of the contract.

F. N. filed claim on February 29, 1928 demanding that she furnish box office statement. Mrs. Yates was notified of claim and of hearing set for March 7th by registered mail. She failed to appear or answer. Mr. Muehlman appeared for First National Pictures, Inc.

Upon hearing the facts and testimony as offered this Board orders that Mrs. Yates be required to furnish box office statements to First National in accordance with the terms of her contract.

Upon the failure of the exhibitor to fully comply with this award within seven days from the date thereof the sum of $500.00 is hereby fixed as the maximum amount which each distributor a member of the San Francisco Film Board of Trade having a contract with the exhibitor may demand pursuant to the provisions of the Arbitration Clause con-

tained therein as security for the performance by the exhibitor of each such contract.

In witness whereof we have subscribed this award this [fol. 2088] 7th day of March, 1928.

(Sgd.) S. E. Lewis (L. S.), (Sgd.) P. Weinstein (L. S.), (Signature illegible), —— —— (L. S.) —— —— (L. S.), (Sgd.) Morgan A. Walsh (L. S.).

STATE OF ——,
County of ——:

On this — day of ——, 192-, before me, a Notary Public in and for said County and State, personally appeared —— ——, known to me to be the individuals described in and who executed the foregoing instrument, and they duly acknowledged to me that they executed the same.

—— ——, Notary Public. My Commission expires —— —, ——.

Ex. 205.

[fol. 2089] Ex. 261

City: San Francisco.
State: California.
County: San Francisco.

In the Matter of the Arbitration of F. B. O. PICTURES CORPORATION, Distributor, and J. J. PERRY, operating the Liberty Theatre, Fort Bragg, Cal., Exhibitor

We, the undersigned arbitrators, having been duly appointed to arbitrate the matters in controversy existing between the above named Distributor and Exhibitor as by the provisions of the contract between said Distributor and said Exhibitor provided (or by the conditions of their submission in writing executed by said Distributor and Exhibitor respectively and sealed with their respective seals and duly acknowledged) and after having taken the oath and after hearing the proofs and allegations of the said parties and due deliberation having been made, we do hereby award, determine and order; that is to say:

(Here express in clear and precise terms the award so that nothing shall be left uncertain. The award should be final in its terms so as to terminate the controversy.)

On May 28, 1927 F. B. O. Pictures Corporation and J. J. Perry, operating the Liberty Theatre, Fort Bragg, Cal., entered into contracts for certain pictures which this exhibitor failed to perform, having sold his theatre and not having provided for assumption of these contracts by the purchaser.

On August 21, 1928, Mr. Perry was notified of claim filed by F. B. O. and of hearing set for September 5. He failed to appear or answer. Mr. Matthews appeared for F. B. O.

Upon hearing the facts and testimony as offered, This Board Orders that F. B. O. be given an award against Mr. Perry, as claimed, in the amount of $745.50.

In witness whereof we have subscribed this award this 5th day of September 1928.

G. C. Blumenthal (L. S.), K. Hodkinson (L. S.), —— —— (L. S.), M. Klein (L. S.), W. J. Feehan (L. S.), —— —— (L. S.)

STATE OF ——,
County of ——:

On this — day of ——, 192-, before me, a Notary Public [fol. 2090] in and for said County and State, personally appeared —— ——, known to me to be the individuals described in and who executed the foregoing instrument, and they duly acknowledged to me that they executed the same.

—— ——, Notary Public. My Commission expires —— —, ——.

Ex. 261.

[fol. 2091]

Ex. 116

Board of Arbitration Copy

Claim Statement

Date: July 3rd, 1928.

Complainant: Universal Film Exchanges, Inc.

Defendant: Sol Lesser, New Lyceum Theatre, San Francisco, Calif.

Reason for Claim: We are bringing this claim, before you gentleman at this time, as a test case to establish our right under the terms of our contracts. Mr. Sol Lesser of the

Lyceum Theatre has refused to date, or play, following the Wigwam Theatre the features listed herein contending that he is a 25¢ house and should not be compelled to play features following a 15¢ run. In our defense we wish to point to the fact that our product was sold the Wigwam Theatre with the understanding that it should play first run south of Market Street, Mission District at the admission price prevailing at that time, which was 50¢. The Wigwam Theatre since has changed admission and has dated bookings in accordance with their availability.

Contracts Attached:	Date of Contract	Signed by	Number Features	Number Comedies	Number Short Subj.	Misc.
#5632	June 18, 1927	Sol Lesser	44			
#5631	June 18, 1927	Sol Lesser	4			

Subjects Played (Give number and titles): Lone Eagle, Wild Beauty, Silk Stockings, Rawhide Kid, Midnight Rose, Back to God's Country, Trick of Hearts, Finders Keepers, Cheating Cheaters, Alias the Deacon, Galloping Fury, Painted Ponies, A Man's Past, 13th Juror, Out all Night, On Your Toes, That's My Daddy.

Subjects Unplayed (Give number and titles): Wild West Show, Buck Privates, Shield of Honor, Stop that Man, Thanks for the Buggy Ride, Irresistible Lover, Good Morning Judge.

Amount of Claim: $166.00. How Determined: Total rental available pictures.

Correspondence Attached: ——

[fol. 2092] Signature of Complainant: Universal Film Exchanges, Inc., by W. J. Heineman, Manager.

8 E

By reason of an error, in the construction of our contract, the existing admission price was omitted. We as a distributor have no control over the Wigwam Theatre and its policy. We are asked to deliver. We do not feel that we should be asked or be penalized by reason of this condition, over which we have no control.

We, therefore, pray for an award in the full amount of the remaining available unplayed balance of the Lyceum Theatre's contract. This claim is being presented on short

notice, by mutual agreement with Mr. Sol Lesser and myself, and we ask that it be heard on Thursday, July 5th.

[fol. 2093] Ex. 118

Registered.

July 7, 1928.

Mr. Sol Lesser, New Lyceum Theatre, San Francisco, Calif.

DEAR MR. LESSER: Attached hereto is copy of the complaint which was filed against you by Universal Film Exchange.

As Universal and yourself agreed to waive the regular notice of hearing, this claim was brought before the Board of Arbitration on July 5th.

The Board did not make an award, but wrote Mr. Hess for an opinion, and final hearing was postponed until the next meeting of the Board, July 18th, at which time you are requested to appear.

Very truly yours, —— ——, Acting Secretary.

RF.
c. c. to Universal.
6 e.

[fol. 2094] Ex. 121

July 21st, 1928.

Mr. Sol Lessor, New Lyceum Theatre, 3350 Mission Street, San Francisco, Calif.

DEAR FRIEND SOL: Inasmuch as we have re-negotiated the Wigwam Theatre's Contract, and extended you the privilege of playing ahead of this House, effective July 30th, I trust it will be in order and do hereby withdraw Arbitration Complaint filed.

I trust that this will meet with your approval.

Sincerely yours, W. J. Heineman, Manager.

WJH:VL.
CC. Miss Clare Foley.

[fol. 2095] Ex. 104

Board of Arbitration Copy

Claim Statement

Date: August 2, 1928.

Complainant: Metro-Goldwyn-Mayer Distributing Corporation.

Defendant: Hawaiian Gardens, Inc. (Capitola Theatre, Capitola, California).

Reason for Claim: Accepted contract signed by Mr. W. P. Thomas and played all but four of the pictures during their summer season of 1927. When they opened up again this summer we wrote for dates on the four pictures remaining on contract. Exhibitor refused to date. We, therefore, set arbitrary dates and notified exhibitor accordingly. The first shipment was made July 28 and was refused.

Contracts attached	Date of contract	Signed by	Number features	Number comedies	Number short subj.	Misc.
N-6011	April 20, 1927	William P. Thomas	20	....	....	...

Subjects played (Give number and titles): 18 played. Blarney, The Boy Friend, Exit Smiling, Frisco Sally Levy, Tin Hats, The Taxi Dancer, Gay Deceiver, Valencia, Mr. Wu, Flaming Forest, Understanding Heart, Waning Sex, Upstage, Demi Bride, The Red Mill, War Paint, Desert's Toll, Winners of Wilderness.

(Callahans & Murphys withdrawn from service.)

Subjects Unplayed (Give number and tiles): 4. Heaven on Earth, The Unknown, Tillie the Toiler, Valley of Hell.

Amount of Claim: $47.50. How Determined: Under contract N-6011—$47.50.

Correspondence Attached: ——.

Signature of Complainant: Metro-Goldwyn-Mayer Distributing Corporation, by (Sgd.) G. A. Parsons, Manager.

Ex. 104.

[fol. 2096] Ex. 105

August 3, 1928.

Registered.

Hawaiian Gardens, Inc., Capitola Theatre, Capitola, Calif.

GENTLEMEN: Attached hereto is complaint which has been filed against you by Metro-Goldwyn-Mayer Distributing Corporation.

Please go over this claim very carefully and advise immediately if the facts stated therein are true. If they are not, please give us a correct statement of the facts as they really exist, so that this controversy may be adjusted if possible.

Please let us have your answer to this letter by return mail. If we do not receive an answer and if the claim is not satisfactorily adjusted by Wednesday, August 15th, this matter will be brought before the Board of Arbitration for hearing on that date. Hearing will be held in Room 624 Golden Gate Bldg., 25 Taylor St., at 1:30 P. M., and you are requested to appear and present whatever evidence you may have to offer.

We urgently request that you answer this complaint by giving us a statement of your side of the controversy, and we will be very glad to use our good offices toward securing satisfactory settlement.

Very truly yours, —— ——, Secretary.

CF R.
c.c. to Metro-Goldwyn.
Ex. 105.

[fol. 2097] Ex. 108

(Figure of Dancing Couple)

Hawaiian Gardens, Inc.

Motion Pictures and Dancing

Capitola, California, August 9, 1928.

Subject: ——.

Board of Arbitration, 728 Golden Gate Bldg., San Francisco, Calif.

GENTLEMEN: I am in receipt of your letter of August 8th and in reply to same state that we never accept registered

letters. Am very glad to reply to anything reasonable under ordinary mail.

In reference to your memo of the Metro-Goldwyn Co. and yourselves the situation is hardly understood by us. However, from the general appearance of same I am replying to you, and would first like to know what your position is in this matter. It is quite foreign to myself and I have never had any experience with anything of this kind. If you represent a bill-collecting firm or something of this kind I will simply tell you to go ahead and sue. If, however, it is a question of simply adjusting differences I am pleased to give you what information I have in this case.

It appears that Mr. Thomas, who was acting as manager in a limited capacity for the Hawaiian Gardens, Inc., personally signed a contract with the Metro-Goldwyn people for some pictures. The number and quantity I have really never known. In the first place Mr. Thomas had no authority to sign a contract for the Hawaiian Gardens and he did not do this as I understand it.

The Theatre itself was the property of the Company. I bought this concern some time in March and in the early part of June called on the various motion picture people and inquired if any arrangements had been made by Mr. Thomas for the Company. The reason for this inquiry was, he head left a lot of conditions in a very bad state of affairs and I was trying to straighten up the mess. The Metro-Goldwyn people told me they had a contract with Mr. Thomas and I explained the situation and told them that if they would mail me a copy of the contract and it was satisfactory I would be glad to accept same in the name of the Company. This was never done. However, they shipped us pictures which we accepted and paid for and I am enclosing herewith a list of the pictures.

[fol. 2098] In looking over your claim statement I note that the Metro people claim 23 pictures as being signed for the summer season of 1927, claiming that 18 were played. Upon checking up my list find that we showed 24 pictures of the Metro-Goldwyn for the summer season of 1927 and paid for 25—they collected for one picture twice —(Boy Friend) and paid for August 20th, 1927 our check #331 and again paid for August 29th, our check #344. We would ask that you request them to return us the $10 overpayment.

Everyone else in the picture industry with whom we did business last year seem to have been satisfied and our business relations with them have been very satisfactory—we are doing business with them this year on the same basis.

If this information is of any use to you and you would kindly explain your position in this matter we would gladly give you any other information that you might require.

Respectfully yours, Hawaiian Gardens, Inc. (Sgd.) Frank T. Blake.

ftb.: fl.

Ex. 108.

[fol. 2099] Ex. 109

August 11, 1928.

Mr. Frank T. Blake, Hawaiian Gardens, Inc., Capitola Theatre, Capitola, Calif.

Dear Mr. Blake: In response to your letter of August 9th, I have taken this matter up with Metro-Goldwyn and they advise that they consider you have assumed this contract for the reason that you have played pictures from the contract, which is according to law considered partial performance of the contract and makes you liable for the completion of same.

With reference to the $10.00 credit which you have coming, they advise that they applied that on the show "Heaven on Earth" which was shipped to you and which was refused by you, and they have the $10.00 credit standing on their books for your use whenever you see fit to take it up.

Unless you can make arrangements to fulfill the Metro-Goldwyn contract and play the remaining pictures on same, they request that this matter be brought before the Board of Arbitration on August 15th, as you were advised. However, it seems that this should be settled before that date and you should be able to get together with Metro-Goldwyn on some satisfactory arrangement, if you will merely submit some dates to them.

If you do not do this, the matter will be presented to the Board of Arbitration on the 15th as you were advised, and your letter will also be presented at that time. If you have any additional information to be brought before the

Board, please advise. Or, it would be preferable for you to appear personally at that time.

Very truly yours, —— ——, Secretary.

CF R.
C. c. to Metro-Goldwyn.
Ex. 109.

[fol. 2100] Ex. 110

Hawaiian Gardens, Inc.

Motion Pictures and Dancing

Capitola, California, August 14, 1928.

Subject: ——.

Board of Arbitration of the Motion Picture Industries, 724 Golden Gate Bldg., 25 Taylor Street, San Francisco, Calif.

Gentlemen: Replying to yours of August 11th. In my letter to you of August 9th I asked for an explanation as to what position your office takes in this matter, this being, as I explained at that time, entirely foreign to me, and I would appreciate a reply to this.

Also in my letter of the same date I called your attention to the fact that we had shown 24 Metro-Goldwyn pictures and that they stated that their contract with Thomas called for 23 and they are still asking that four more pictures be played. Some of these things are too deep for me to understand. If you would explain it to me I would appreciate it.

Respectfully yours, Hawaiian Gardens, Inc. (Sgd.) Frank T. Blake.

ftb:fl.
Ex. 110.

[fol. 2101] Ex. 111

City: San Francisco.
State: California.
County: San Francisco.

In the Matter of the Arbitration of METRO-GOLDWYN-MAYER DIST. CORP., Distributor, and HAWAIIAN GARDENS, INC., Capitola Theatre, Capitola, Calif., Exhibitor

We, the undersigned arbitrators, having been duly appointed to arbitrate the matters in controversy existing between the above named Distributor and Exhibitor as by the provisions of the contract between said Distributor and said Exhibitor provided (or by the conditions of their submission in writing, executed by said Distributor and Exhibitor respectively and sealed with their respective seals and duly acknowledged) and after having taken the oath and after hearing the proofs and allegations of the said parties and due deliberation having been made, we do hereby award, determine and order; that is to say:

(Here express in clear and precise terms the award so that nothing shall be left uncertain. The award should be final in its terms so as to terminate the controversy.)

On April 20, 1927 William P. Thomas and Metro-Goldwyn-Mayter Distributing Corporation entered into contract for certain pictures, for the Hawaiian Gardens, Inc., Capitola Theatre, Capitola, Calif., and subsequent to the signing thereof, the Hawaiian Gardens, Inc., played several pictures from this contract, but refused to complete same.

On August 3rd Hawaiian Gardens, Inc., was advised of claim filed, and both parties were notified of hearing set for August 15th.

Mr. Parsons appeared for Metro-Goldwyn-Mayer Dist. Corpn. Hawaiian Gardens, Inc., did not appear but answered.

Upon hearing the facts and testimony as offered; this Board orders:

That Metro-Goldwyn-Mayer Dist. Corpn., be granted an amount in the amount of $47.50 as prayed, (allowing $10.00 credit on Metro-Goldwyn-Mayer's books.)

[fol. 2102] In witness whereof we have subscribed this award this 15th day of August, 1928.

(Sgd.) H. M. Lentz (L. S.), (Sgd.) W. E. Matthews (L. S.), (Sgd.) K. Hodkinson (L. S.), (Sgd.) S. Jacobson L. S.), (Signature illegible) (L. S.), (Sgd.) W. J. Feehan (L. S.).

STATE OF ——,
County of ——:

On this — day of ——, 192—, before me, a Notary Public in and for said County and State, personally appeared —— ——, known to me to be the individuals described in and who executed the foregoing instrument, and the duly acknowledged to me that they executed the same.

—— ——, Notary Public. My commission expires —— —, ——.

Ex. 111.

[fol. 2103] Ex. 113

August 16, 1928.

Mr. Frank T. Blake, Hawaiian Gardens, Inc., Capitola Theatre, Capitola, Calif.

DEAR MR. BLAKE: In response to your letter of August 14th, I regret that I did not make myself clear and give you a satisfactory answer to the questions asked in your previous letter.

I am Secretary to the Board of Arbitration, which is composed of three exhibitors appointed by the Allied Amusement Industries, the exhibitors association in this territory, and three distributors appointed by the San Francisco Film Board of Trade. This Arbitration Board considers all claims referred to it by either exhibitors or distributors, and makes decisions thereon.

As you know, the contracts for film service which you sign provide that in case any controversy arises, that controversy will be referred to the Board of Arbitration for consideration, and both parties will abide by the Board of Arbitration decision. Therefore, in accordance with this procedure you were notified of the filing of the claim by Metro-Goldwyn-Mayer, and of hearing set for August 15th.

As you did not appear your answer was referred to the Board of Arbitration and they considered it in making their decision, which is attached hereto.

With reference to the pictures which you have played from Metro-Goldwyn, I find upon checking their records, that in addition to the contract for twenty-three pictures, dated April 20, 1927 #6011, there were two other contracts. These were contracts #3875 from which you played five pictures, and #6012 from which you played one picture, Battling Butler. On the other contract #6011 you have played eighteen pictures, and these eighteen together with the above six, makes the twenty-four pictures which you have played from Metro-Goldwyn. One picture from contract #6011 has been withdrawn, therefore you have four pictures yet to play from that contract.

According to the attached, the Board of Arbitration has made an award against you for fulfillment of that contract, and have allowed you the $10.00 credit which Metro-Goldwyn-Mayer have on their books for you. Please make arrangements to comply with this award so that it will not be necessary for Metro-Goldwyn to take steps to enforce it.

Very truly yours, —— ——, Secretary.

CF R.
c. c. to Metro-Goldwyn.
Ex. 113.

[fol. 2104] Ex. 115

August 25, 1928.

Mr. Harry J. Bias, Attorney at Law, Title Insurance Bldg., Santa Cruz, Calif.

Dear Mr. Bias: I note what you say in your letter of August 21st with reference to the claim of Metro-Goldwyn against Hawaiian Gardens, Inc.

This claim was filed with the Board of Arbitration on August 2nd and on August 3rd, Hawaiian Gardens, Inc. were notified by registered letter of the filing of the claim and of the date of hearing set for August 15th. They refused the registered letter, and I voluntarily remailed the entire claim and notice to them without registration. This was not necessary, as their refusal of the letter according to the rules of the Board constitutes a refusal to arbitrate,

and the Board may proceed to hear the case without their testimony.

However, we want to be fair at all times and give all parties an opportunity to be heard, therefore the claim was remailed to them on August 8th. On August 9th they answered the claim, acknowledging receipt of same, and therefore acknowledging receipt of the notice of hearing set for August 15th. Again on August 11th I answered their letter of the 9th and advised that the case would be heard on August 15th, and if they did not appear, that their letter of the 11th would be presented to the Board as their answer to the complaint.

They did not appear and on August 16th, the day after the hearing, we received a letter from them dated August 14th, answering ours of the 11th. This letter dated August 14th was postmarked at Capitola, August 15, 5:00 P. M., after the hearing was over. We have the envelope bearing evidence of this statement.

I am giving you all this preliminary explanation so that you may know that this Board at all times aims to be fair to all parties to a controversy and to allow all parties to be heard in full. However, when the defendant refuses to accept a notice and then deliberately ignores the date of hearing when we know that he has knowledge of same, the Board can do nothing but proceed to hear the case, which they did.

The Board very carefullyy considered the facts set forth in Mr. Blake's letter of August 9th and the evidence as submitted by Metro-Goldwyn and made its decision after weighing all this evidence. The Board decided that Hawaiian Gardens, Inc. are responsible for the completion of the contract from which contract Hawaiian Gardens, Inc., have [fol. 2105] played eighteen pictures.

Therefore, in order to render satisfaction on this award to Metro-Goldwyn, it will be necessary that Hawaiian Gardens pay for the four remaining pictures in the amount of $47.50, which allowed the $10.00 credit, or that they submit satisfactory play dates for the remaining four pictures, which I feel sure Metro-Goldwyn will accept in lieu of actual payment in cash. In any event, Metro-Goldwyn will allow the $10.00 credit on the payment for the remaining pictures.

If there is any further information you wish about this claim, will be very glad to furnish same. If your client does not comply with the award, Metro-Goldwyn will undoubtedly ask that the award be enforced.

Yours very truly, —— ——, Secretary.

CF.
cc. to Metro-Goldwyn.
Ex. 115.

[fol. 2106] Ex. 50

July 25, 1928.

Metro-Goldwyn-Mayer, 215 Golden Gate Ave., City.

GENTLEMEN: Attached hereto is copy of claim which has been filed against you by Mrs. M. L. Yates, Empress Theatre, Alturus, California.

Please go over this very carefully and advise if the facts stated therein are true. If they are not, please give us a correct statement of the facts as they really exist, so that this controversy may be adjusted if possible.

If this claim is not satisfactorily adjusted by Wednesday, August 15th, it will be brought before the Board of Arbitration for hearing on that date. Hearing will be held in Room 624 Golden Gate Building, 25 Taylor St., at 1.30 P. M. and you are requested to appear and present whatever evidence you may have to offer.

Very truly yours, —— ——, Secretary.

CF R.
cc. to Mrs. M. L. Yates.
7r.

[fol. 2107] Ex. 53

Board of Arbitration Copy

Claim Statement

Date: August 6, 1928.

Complainant: Metro-Goldwyn-Mayer Distributing Corporation.

Defendant: Mrs. M. L. Yates (Empress Theatre, Alturas, California).

Reason for claim: At the time of signing contract exhibitor agreed to use three or more pictures per month starting March 1, 1928, however, no service was used during the month of March. From March 30, 1928 to June 8, 1928, exhibitor was off service due to complaint filed against her by one of the distributing companies. When we received notice of such complaint being withdrawn we immediately solicited dates, and upon not receiving dates in accordance with contract we set arbitrary dates and notified the exhibitor accordingly. Shipment was made for August 4 and was refused.

Contracts attached	Date of contract	Signed by	Number features	No. comedies	No. short subj.	Msc.
N-6985	December 7, 1927	Mrs. M. L. Yates	49			
S-304	December 7, 1927	Mrs. M. L. Yates		40	6	

Subjects Played (Give number and titles): None.

Subjects Unplayed (Give numbers and title): 49 features, 40 Comedies, 6 short subjects.

801 "Bonaparte" No. 1.
802 "Bonaparte" No. 2.
803 Lew Cody and Aileen Pringle No. 1.
804 Lew Cody and Aileen Pringle No. 2.
805 Lew Cody and Aileen Pringle No. 3.
806 Mad*a*moiselle from Armentieres.
807 Jackie Coogan No. 1.
808 Jackie Coogan No. 2.
809 Body and Soul.
810 William Haines No. 4.
811 Napoleon.
812 Karl Dane and George K. Arthur No. 1.
[fol. 2108] 813 Karl Dane and George K. Arthur No. 2.
814 Karl Dane and George K. Arthur No. 3.
815 William Haines No. 1.
816 William Haines No. 2
817 William Haines No. 3.
818 Cosmopolitan Prod. No. 1.
819 Cosmopolitan Prod. No. 2.
820 Cosmopolitan Prod. No. 3.

821 Cosmopolitan Prod. No. 4.
822 Cosmopolitan Prod. No. 5.
823 In Old Kentucky.
824 Norma Shearer No. 1.
825 Norma Shearer No. 2.
826 Norma Shearer No. 3.
827 Marion Davies No. 1.
828 Marion Davies No. 2.
829 Marion Davies No. 3.
830 Ramon Novarro No. 1.
832 Greta Garbo No. 1.
833 Greta Garbo No. 2.
834 John Gilbert No. 1.
835 John Gilbert No. 2.
836 Annie Laurie.
837 Garden of Allah.
838 Lon Chaney No. 1.
839 Lon Chaney No. 2.
840 Lon Chaney No. 3.
841 The Crowd.
842 The Cossacks.
843 Rose Marie.
844 Tim McCoy No. 1.
845 Tim McCoy No. 2.
846 Tim McCoy No. 3.
847 Tim McCoy No. 4.
848 Tim McCoy No. 5.
849 Tim McCoy No. 6.
852 Syd Chaplin.
051-056—6 Great Events.
C11-C20—10 Hal Roach Character Comedies.
C21-C30—10 Hal Roach All-Star Comedies.
C31-C40—10 Hal Roach Charley Chase Comedies.
C41-C50—10 Hal Roach "Our Gang" Comedies.

Amount of Claim: $99.50. How Determined:

Under Contract N-6985	$653.50
Under Contract S-304	146.00
	$799.50

Correspondence Attached: ——.

[fol. 2109] Signature of Complainant: Metro-Goldwyn-Mayer Distributing Corporation, by —— ——, Manager.

[fols. 2110 & 2111] Ex. 54

City: San Francisco.
State: California.
County: San Francisco.

In the Matter of the Arbitration of METRO-GOLDWYN-MAYER DIST. CPN., Distributor, and MRS. M. L. YATES, Operating the Empress Theatre, Alturas, Calif., Exhibitor

We, the undersigned arbitrators, having been duly appointed to arbitrate the matters in controversy existing between the above named Distributor and Exhibitor as by the provisions of the contract between said Distributor and said Exhibitor provided (or by the conditions of their submission in writing executed by said Distributor and Exhibitor respectively and sealed with their respect- seals and duly acknowledged) and after having taken the oath and after hearing the proofs and allegations of the said parties and due deliberation having been made, we do hereby award, determine and order: that is to say:

(Here express in clear and precise terms the award so that nothing shall be left uncertain. The award should be final in its terms so as to terminate the controversy.)

On December 7th, 1927 Metro-Goldwyn Mayer Dist. Cpn. and Mrs. M. L. Yates, operating the Empress Theatre, Alturas, California entered into contract for certain pictures which this exhibitor failed to perform.

On July 21st Mrs. Yates filed a claim asking for cancellation on this contract, and on August 6th, Metro-Goldwyn-Mayer filed a claim asking that Mrs. Yates fulfill the contract.

Both parties were notified of hearing for Sept. 19th. Mr. Peterson appeared for Mrs. Yates and Mr. Parsons appear for Metro-Goldwyn.

Upon hearing the facts and testimony as offered, this Board orders that contract dated Dec. 7th, 1927 be de-

clared valid and the $65.00 credit be applied on the first shipments used, and that Metro-Goldwyn accept one date per week as playing arrangement on this contract, starting the first week in October.

In witness whereof we have subscribed this award this 19th day of Sept. 1928.

H. M. Lentz (L. S.), F. W. Voight (L. S.), Illegible, (L. S.), Illegible (L. S.), Illegible (L. S.), Illegible (L. S.).

[fol. 2112] Ex. 129

Before the Joint Board of Arbitration of the Motion Picture Industry

Complaint

The undersigned hereby complains against V. Rogers, operating the Atwater Theatre, Atwater, California, whose address is Atwater, California, for violating the provisions of a Standard Exhibition Contracts dated Sept. 21, 1926 and February 4, 1927, existing between the parties hereto, as follows:

(Here insert a plain and concise statement of facts.)

Exhibitor refused to supply dates in accordance with terms of contract. We set arbitrary dates and notified him accordingly. The first show was shipped for use January 4, 1928 and was refused. We ask judgment in amount of $107.50 to cover the rental of pictures remaining unplayed, as follows:

Rookies	$10.00
The Unknown	12.50
Romance	12.50
Captain Salvation	12.50
Mockery	12.50
Twelve Miles Out	12.50
Valley of Hell	7.50
Conquering Power	10.00
California	7.50
The Penalty	10.00
Total	$107.50

and requests that a hearing before the Joint Board of Arbitration be had and an award be rendered hereon.

Dated January 10, 1928.

(Name of Theatre or Exchange:) Metro-Goldwyn-Mayer Dist. Corp., (Signature of Manager:) by G. A. Parsons.

[fol. 2113] 283

Notice of Hearing

To the parties above named:

Take Notice that the foregoing complaint has been set for hearing and will be heard on Wednesday, January 18th, 1928 at 2 o'clock past noon sharp, at room 624 Golden Gate Building, No. 25 Taylor Street, San Francisco, Cal. Please be present with your witnesses and evidence or the hearing will proceed in your absence.

Clare Foley, Secretary of the Board, 1017 De Young Building, 690 Market Street, San Francisco, Calif.

(All complaints must be fully filled out and signed in triplicate, the three copies to be filed with or mailed to the Secretary of the Board at room 1017 De Young Building, San Francisco. The matter will then be set for hearing and the parties notified.)

12 a.

[fol. 2114] Ex. 130

724 Golden Gate Bldg.

January 20, 1928.

Mr. V. Rogers, Atwater Theatre, Atwater, Calif.

Dear Mr. Rogers: The claim of Metro-Goldwyn-Mayer against you, came up for hearing before the Board of Arbitration on January 18th at which time you were present.

Your sworn affidavit was taken at this meeting, and final hearing was held over to the next meeting of the Board of Arbitration, February 1st. However, it will not be necessary for you to appear at that hearing as your affidavit will serve as your defense and appearance.

You will be notified immediately after the hearing on that date, of the Board's decision.

Very truly yours, —— ——, Executive Secretary.

CF Ro.

c. c. to Metro-Goldwyn-Mayer.
10a.

[fol. 2115] Ex. 131

STATE OF CALIFORNIA,
City and County of San Francisco, ss:

V. Rogers, being first duly sworn according to law, deposes and says: my name is V. Rogers and I reside at Atwater, California. I am the owner of the Atwater Theatre. I have carefully examined a purported film lease contract No. N. 5722, dated February 4th, 1927, held by Metro Goldwyn Distributing Corporation, for the exhibition of certain motion picture subjects to be shown at said Atwater Theatre. Said contract is signed with the name of V. Rogers. I did not sign said contract nor was the name signed with my knowledge or consent. I never saw said contract until same was shown to me at the meeting of the Joint Board of Arbitration this 18th day of January, 1928. The signature is a forgery. The contract is not mine. I will swear to the truth of the foregoing before any court, judge or other authority whenever called upon so to do. This affidavit is attached to said contract and made a part thereof.

V. Rogers.

Subscribed and sworn to before me this 18th day of January, 1928. Morgan A. Walsh, Chairman Joint Board of Arbitration of the Motion Picture Industry.

9 a.

[fol. 2116] Ex. 13-P 2

On Feb. 4, 1927, Atwater Theatre bought 15 pictures from our 1926-27 service and 2 pictures from 1925-26 serv-

ice. Total, 17 pictures. Following pictures used on this contract:

Frisco Sally Levy, Sept. 9, 1927.
Slide Kelly, Oct. 19, 1927.
Taxi Dancer, Oct. 26, 1927.
Mr. Wu, Aug. 5, 1927.
Understand. Heart, Oct. 5, 1927.
Winners of Wil., Oct. 12, 1927.
Frontiersman, Sept. 20, 1927.
Flesh & Devil, Aug. 31, 1927.
Johnny Hair Cut, Aug. 3, 1927.
8 a.

[fol. 2117] Ex. 132

City: San Francisco.
State: California.
County: San Francisco.

In the Matter of the Arbitration of METRO-GOLDWYN-MAYER DIST. CORPN., Distributor, and V. ROGERS, Atwater Theatre, Atwater, Calif., Exhibitor.

We, the undersigned arbitrators, having been duly appointed to arbitrate the matters in controversy existing between the above named Distributor and Exhibitor as by the provisions of the contract between said Distributor and said Exhibitor provided (or by the conditions of their submission in writing executed by said Distributor and Exhibitor respectively and sealed with their respective seals and duly acknowledge) and after having taken the oath and after hearing the proofs and allegations of the said parties and due deliberation having been made, we do hereby award, determine and order; that is to say:

(Here express in clear and precise terms the award so that nothing shall be left uncertain. The award should be final in its terms so as to terminate the controversy.)

On September 21, 1926 and February 4, 1927, Metro-Goldwyn-Mayer Distributing Corporation and V. Rogers, operating the Atwater Theatre, Atwater, Calif., entered into a contract for certain pictures, which this exhibitor failed to perform. Mr. Rogers was notified of claim filed

by Metro-Goldwyn-Mayer and both parties were notified of hearing set for January 18.

At the hearing on January 18th, Mr. Cox appeared for Metro-Goldwyn, and Mr. Rogers appeared for himself. Due to insufficient evidence on that day, the Arbitration Board postponed hearing to February 1st. Mr. Rogers sworn affidavit was taken on January 18th to be used as his testimony at hearing on February 1st.

On February 1st Mr. Parsons appeared for Metro-Goldwyn and Mr. Rogers was not present, but his affidavit was read and considered.

Upon hearing the facts and testimony as offered, this Board orders:

That the exhibitor had been laboring under a misapprehension and that the facts and evidence presented by the Exchange are irrefutable and that, therefore, this exhibitor be required to play eight pictures remaining unplayed on contracts dated February 4, 1927 and September 21, 1926.

[fol. 2118] In witness whereof we have subscribed this award this 1st day of February 1928.

A. J. Feehan (L. S.), A. J. Eschelbach (L. S.), Illegible (L. S.), Morgan A. Walsh, G. A. Blumenthal (L. S.), P. Weinstein (L. S.), J. C. McCerney (L. S.).

STATE OF ——,
County of ——.

On this — day of ——, 192-, before me, a Notary Public in and for said County and State, personally appeared —— ——, known to me to be the individuals described in and who executed the foregoing instrument, and they duly acknowledge to me that they executed the same.

—— ——, Notary Public. My commission expires —— —, ——.

And that this Arbitration Board sets the sum of $500.00 as a maximum amount of security which may be requested by distributors holding contracts with this exhibitor in case of failure or refusal of said exhibitor to comply with this award.

[fol. 2119] Ex. 133

The Joint Board of Arbitration of the Motion Picture Industry, 724 Golden Gate Bldg., 25 Taylor Street, San Francisco, California

Clare Foley, Secretary

Franklin 3012

February 2, 1928.

In the Matter of the Arbitration of METRO-GOLDWYN-MAYER DIST. CORPN., Distributor, and V. ROGERS, Atwater Theatre, Atwater, Calif., Exhibitor.

Enclosed herewith is a true copy of an award of the Board of Arbitration in the matter in controversy existing between the above named Exhibitor and Distributor.

Upon your failure or refusal to abide by and forthwith comply with the said award the said Distributor, or any other Distributor with whom you have contracts on the uniform form shall have the right to demand for their protection and as security for the performance by you of your existing contracts with said Distributor and such other Distributors an additional sum not exceeding $500 under each such contract, and in the event of your failure to pay such additional sum within seven days after demand the said Distributor and other Distributors may by written notice to you suspend service under such existing contracts until such sum shall be paid or they may terminate such contracts with you.

Yours very truly, Board of Arbitration, by ——, Secretary.

6 a.

[fol. 2120] Ex. 134

February 2, 1928.

Mr. V. Rogers, Atwater Theatre, Atwater, Calif.

DEAR MR. ROGERS: I am attaching hereto decision of the Board of Arbitration in the case of Metro-Goldwyn-Mayer against you, which came up for final hearing on February 1st. I am also returning herewith your contracts.

The Arbitration Board has instructed that I write you this letter by way of explanation of the award. Under the contract dated January 19, 1927, which is attached, and which you admit having signed, as you had played pictures in accordance with the terms of this contract up until the time you closed on October 26th, you would have had to play twenty-six pictures. However, in view of the fact that according to the records of Metro-Goldwyn-Mayer's office this contract was not approved, and instead of this contract they approved a contract for only fifteen pictures; therefore you would only have to play fifteen pictures as you accepted the contract which Metro-Goldwyn approved dated February 4, 1927. While, if you played the contract which you admit signing January 19, 1927 you would have to play at least twenty-six pictures from the date it started until the date you closed your theatre October 26th, in accordance with the terms of the contract.

Therefore, the Arbitration Board felt that they were being more fair with you to give Metro-Goldwyn an award on the contract covering fifteen pictures, and you will only have to play eight pictures remaining on that contract. If they had made the award on the contract which you admit signing, you would have nineteen pictures left to play. Therefore, the Arbitration Board wants you to feel that they were attempting to be entirely fair with you, and have been fair with you in making the award on the contract covering fifteen pictures, because otherwise you would have more pictures left to play. As it is, you have only eight pictures to play from Metro-Goldwyn in accordance with the award which is attached.

Very truly yours, —— ——, Secretary.

CF Ro.

c. c. to Metro-Goldwyn.

Called Metro-Miss Amos, 3/5/28. Will advise disposition.

5 a.

[fol. 2121] Ex. 125

Golden State Theatre Circuit

Golden State Theatre & Realty Corp. and Associated Companies

Executive Offices: 86 Golden Gate Avenue, San Francisco

Phone: Prospect 958

February 15, 1928.

Address all communications to the company.

Film Board of Arbitration, San Francisco, Cal.

GENTLEMEN: We have a contract with the F. B. O. Pictures Corp'n. for Second Run exhibition of pictures in the Victory Theatre, San Jose. At the time we purchased these pictures, it was our understanding from the local Manager of the F. B. O. Pictures Corp'n., that these pictures were sold to the American and National Theatres in San Jose, which at that time, were charging an admission greater than ours, permitting us to exhibit the pictures Second Run behind them.

We now notice that the National Theatre has dropped their admission to Fifteen Cents, which is equivalent to our own, consequently, it will be immediately obvious that we cannot afford to follow them.

Although there is no stipulation in our contract as to what the admission price shall be, nevertheless, the question of right or wrong enters the controversy, and we beg of the Board of Arbitration to decide the right or wrong of this issue, which we believe to be in our favor.

We specifically cite to you the picture "Dead Man's Curve", an F. B. O. release, which is advertised for exhibition in the National Theatre on the dates of February 15th, 16th, 17th, & 18th. We have this picture under contract, and have given notification to the F. B. O. Pictures Corp'n., that in the event it is permitted to play in the National Theatre at a Fifteen Cent admission, we will refuse to run it.

It is our desire to have the Arbitrators specifically decide whether or not we are obliged to run any of the pic-

tures under contract with F. B. O. Pictures Corp'n., for Second Run exhibition in San Jose after a Fifteen Cent theatre, so long as our admission remains the same (15¢).

Very truly yours, Golden State Theatre & Realty Corp., by —— ——.

MK/EH.
5 f.

[fol. 2122] Ex. 128

City: San Francisco.
State: California.
County: San Francisco.

In the Matter of the Arbitration of F. B. O. Pictures Corpn., Distributor, and Golden State & Realty Corpn., Victory, San Jose, Calif., Exhibitor

We, the undersigned arbitrators, having been duly appointed to arbitrate the matters in controversy existing between the above named Distributor and Exhibitor as by the provisions of the contract between said Distributor and said Exhibitor provided (or by the conditions of their submission in writing executed by said Distributor and Exhibitor respectively and sealed with their respective seals and duly acknowledged) and after having taken the oath and after hearing the proofs and allegations of the said parties and due deliberation having been made, we do hereby award, determine and order; that is to say:

(Here express in clear and precise terms the award so that nothing shall be left uncertain. The award should be final in its terms so as to terminate the controversy.)

On February 15th, Maurice Klein of the Golden State Theatre & Realty Corpn., operating the Victory Theatre, San Jose, filed claim against F. B. O. Pictures Corpn., on account of action of the National Theatre in reducing admission price. This case was scheduled for hearing before the Board of Arbitration on March 7th and Mr. Matthews appeared for F. B. O. and Mr. Klein appeared for Golden State Theatre & Realty Corpn. At that time case was continued to a later meeting and the Arbitration

Board requested opinion on the matter from Mr. Gabriel Hess.

Final hearing was had March 21st and all previous testimony was reviewed. Mr. Matthews appeared for F. B. O. and Mr. Klein appeared for Golden State Theatre & Realty Corpn.

Upon hearing all facts and testimony as offered, this board orders:

That claim of Mr. Klein of the Golden State Theatre & Realty Corporation against F. B. O. Pictures Corpn., be dismissed.

[fol. 2123] In witness whereof we have subscribed this award this 21st day of March, 1928.

Morgan A. Walsh (L. S.), D. (Illegible) (L. S.), H. M. Lentz (L. S.), J. C. McCarrie (L. S.), (Illegible) (L. S.), W. J. Feehan (L. S.).

STATE OF ——,
County of ——:

On this — day of ——, 192--, before me, a Notary Public in and for said County and State, personally appeared —— ——, known to me to be the individuals described in and who executed the foregoing instrument, and they duly acknowledged to me that they executed the same.

—— ——, Notary Public. My Commission expires —— —, ——.

1 f.

[fol. 2124] Ex. 151

Board of Arbitration Copy

Claim Statement

Date: Sept. 20, 1928.

Complainant: Fox Film Corporation.

Defendant: H. W. Harvey, Pajaro Theatre, Watsonville, Cal.

Reason for Claim: Films refused on assigned date for feature "Very Confidential".

Contracts Attached 1927-28	Date of Contract	Signed by	Number Features	Number Comedies	Number Short Subj.	Misc.
Special productions	3/15/28	H. W. Harvey	2	....	....	....

Subjects Played (Give number and titles): 1—"Pajamas".

Subjects Unplayed (Give number and titles): 1—"Very Confidential".

Amount of Claim: $21.04. How Determined:

Feature	$19.00
Express chgs.	1.54
2 Telegrams	.50
	$21.04

Correspondence Attached: None.

Signature of Complainant: Fox Film Corporation, By F. W. Voigt, Manager.

7 c.
138.

[fol. 2125] Ex. 152.

Registered.

September 21, 1928.

Mr. H. W. Harvey, Pajaro Theatre, Watsonville, Calif.

Dear Mr. Harvey: Attached hereto is complaint filed against you by the Fox Film Corporation.

Please go over this very carefully and advise immediately if the facts stated therein are true. If they are not, please give us a correct statement of the facts as they really exist, so that this controversy may be adjusted if possible.

Please let us have your answer to this letter by return mail. If we do not receive an answer and if the claim is not satisfactorily adjusted by Wednesday, October 3, this claim will be brought before the Board of Arbitration for hear-

ing on that date. Hearing will be had in Room 624, Golden Gate Bldg., 25 Taylor St. at 1:30 P. M. and you are requested to appear and present whatever evidence you may have to offer.

We urgently request that you answer this complaint by giving us a statement of your side of the controversy, and we will be glad to use our good offices toward securing satisfactory settlement.

Very truly yours, —— ——, Assistant Secretary.

MS.
6c.
c. c. to Fox Film Corpn.

[fol. 2126] Ex. 153

H. V. Harvey, Manager. J. A. Harvey

Telephone: 1034

Pajaro Theatre, 255 Main Street, Watsonville, California

Sept. 24, 1928.

Board of Arbitration, San Francisco, Calif.

Gentlemen: As outlined in a previous letter to your Board I will answer Fox Film Exchange Claim as follows:

I have a contract in my files for two pictures namely "Pajamas," and "Very Confidential." It is true that this contract has no run specified either first or second but it was understood that the above was to be first when sold to me.

I went into the Fox Exchange and tried to book both the above pictures. They booked "Pajamas" but refused to book "Very Confidential" which had been released for several months. They then sold this picture to my opposition and thereby rendering it unfit for my use. I told them that I would visit their office and substitute but they replied by setting a date on this picture and then by shipping it to us, which of course I didn't lift.

I notice they have two telegrams also charged on this claim. They sent no telegrams whatever to us and I wonder why they didn't charge us for the stenog. time for writing this letter.

That is all the answer that I have. Of course I realize I am stuck for this as all of us are in any deals with the exchanges but they will have to go the limit before they get it. Dog eat Dog is their way of dealing.

Best regards.

Pajaro Theatre, H. V. Harvey, H. V. Harvey, Mgr.

5c.

[fols. 2127 & 2128] Ex. 154

City: San Francisco.
State: California.
County: San Francisco.

In the Matter of the Arbitration of Fox Film Corporation, Distributor, and H. V. Harvey, Operating the Pajaro Theatre, Watsonville, California, Exhibitor

We, the undersigned arbitrators, having been duly appointed to arbitrate the matters in controversy existing between the above named Distributor and Exhibitor as by the provisions of the contract between said Distributor and said Exhibitor provided (or by the conditions of their submission in writing executed by said Distributor and Exhibitor respectively and sealed with their respective seals and duly acknowledged) and after having taken the oath and after hearing the proofs and allegations of the said parties and due deliberation having been made, we do hereby award, determine and order; that is to say:

(Here express in clear and precise terms the award so that nothing shall be left uncertain. The award should be final in its terms so as to terminate the controversy.)

On March 15, 1928 Fox Film Corporation and H. W. Harvey operating the Pajaro Theatre, Watsonville, California, entered into contract for certain pictures which this Exhibitor failed to preform.

On September 21 Mr. Harvey was notified of the claim filed by Fox Film Corporation and hearing set for October 3.

On October 3 Mr. Maurice appeared for Fox Film Corporation. Mr. Harvey did not appear nor did he sent a representative.

Upon hearing all of the facts and testimony as offered, this Board orders that judgment be granted Fox Film Corporation in the amount of $21.04 and that H. V. Harvey be written to choose an other picture first run for use of said defendant of the rental value $21.04 and that said defendant be notified to pay said sum forthwith and to immediately date said pictures.

In witness whereof we have subscribed this award this 3rd day of October, 1928.

W. J. Feehan (L. S.), Illegible (L. S.), Illegible (L. S.), Illegible (L. S.), Illegible (L. S.), Illegible (L. S.).

[fols. 2129 & 2130] GOVERNMENT EXHIBIT 34

Des Moines Film Board of Trade

Arbitration Case

[fol. 2131] Exhibit #1, PW., 10/4/28

Des Moines Film Board of Trade, 210-211 Iowa Building, Des Moines, Iowa

Leone Matthews, Secretary

Telephone: Market 2051

Reports

First of the month send budget: Change of Ownership report. Attendance report. Fire Inspection Report about 15th of month. Other reports should be in by the 5th of month.

Budget: Use form month of August, 1927.

Change of Ownership: Go through Credit File and put on this report all changes of Ownership which have occurred during the current month. This goes on Form "A".

Go through Bulletin for Current month and make report of any new theatres or theatres closed. This goes on Form "B".

Attendance Reports: Get this from Attendance of Board Meeting, and use form of August 6th, 1927 in Attendance report file.

Fire Inspection: Should be made by Safety Committee with Secretary. Blue copy for our file—pink copy for Exchange, and white copy for New York.

When making inspections take reports of last inspection and check to see if recommendations have been carried out.

Questions with Stars are graded three or nothing. If the Exchange gets 100 it is not necessary to fill in anything on the face of the questionaire other than the grade of 100. If points are deducted mark the particular grading opposite each question upon which deductions are made and if you feel that an explanation would assist the exchange, make an explanatory recommendation on the bottom of the questionaire.

[fol. 2132] Arbitration: Every exhibitor must have two weeks' notice before case is presented to the Board of Arbitration. He must also receive a Summons by Registered Mail, one week prior to the hearing. When the return receipt card is received, it should be filed in the respective file.

Your calendar for the next hearing closes on the date of the hearing; in other words, the hearings are two weeks apart, and unless the schedule is interrupted this works automatically.

On Monday, before the hearing send Registered summons for next hearing.

On Thursday before hearing, send letter to Exhibitor Arbitrators asking them to attend the hearing. In Bulletin on Thursday, ask Distributor Arbitrators, to attend hearing and send copy of calendar to all Exchanges.

On day of hearing call all the Exchanges and Distributor Arbitrators and remind them of hearing.

If possible call Exhibitor Arbitrators on the telephone the morning of the hearing.

Minutes of Arbitration Hearing: When taking minutes of Arbitration hearing, write each case on separate sheets. Take the date of the contract; amount of claim, and whether or not exhibitor is present, date of letter presented as evidence; and any conversation which you consider pertinent.

Sending Out Awards: Awards should be sent out within twenty-four hours one copy to the exhibitor; one copy to the Exchange and the signed copy for our files.

Return contracts and correspondence belonging to Exchange or Exhibitor, as the case may be, and retain all correspondence belonging to this office.

The exhibitor is given seven or fourteen days according to the award, within which to comply.

[fol. 2133] If by the expiration of that period of time, the Exchange has not notified you that the exhibitor has complied, ask for deposit and suspension letters, which are mailed to this office undated.

When all letters are received write to Omaha and advise that you have letters ready for mailing; Omaha will advise you of the date they have their letters ready for mailing and letters from both Boards are mailed on the same day.

One week from the mailing of the deposit letters. Suspension letters are mailed, and the account is carried on the Arbitration List until the Exhibitor complies.

On the day the Suspension or service is effective, on any exhibitor, call all the Exchanges which have reported contracts and advise them that service is suspended, effective as of that day.

If any Exchange has a picture booked shipment of which is due on the date of the suspension, the picture is shipped. No shipments are made, however, after the date of suspension.

A couple of days after service is suspended on the exhibitor, write to the Postmaster in the town and inquire what pictures are being used.

Exhibitors Comply with Award: Immediatelly you receive information that an exhibitor has complied with an award, call all the Exchanges on the telephone, confirming the information by Bulletin. Also wire your over-lapping territory.

Arbitration Lists: There is no particular day on which Arbitration Lists are made, but the Exchanges should receive a new list about every ten days, however, if there is no change a new list is unnecessary.

Check Arbitration list about every month with the Postmaster or Depot Agent to ascertain whether shipments are being received.

[fol. 2134] Arbitration Procedure: Both the exhibitor and the distributor are entitled to one postponement.

The exhibitor has the right to challenge, not more than two of the Arbitrators.

If an exhibitor has complied with an award service is resumed; subsequently he fails to carry out the award, deposit and suspension letters are sent to the exhibitor the same as if it were his first failure to comply. The exchange need not get a new award upon the contract.

It depends upon the circumstance if more than one Exchange has an Award against an exhibitor whether he must comply with all awards before his service is resumed.

If, for instance, P. D. C. obtained an award against an exhibitor, letters are sent and service is suspended, and subsequently Educational obtains an award against the same exhibitor, no letters would be sent on Educational's award; therefore, if the exhibitor complied with Producers award, service would be resumed and letters sent on Educational's award, and so on, if there were three or four awards against one person.

If, however, the circumstances are such that you can get all awards complied with at one time, it is expedient to do so. In most instances, I think you can get all awards complied with at one time.

The reason for sending letters on but one exhibitor's award is because the contract provides that we can ask but $500.00 under each existing contract; therefore, if we were to send letters on more than one award it is very probable that we would exceed this amount.

If service is suspended, because of an exhibitor's failure to comply with an award, the exchange so suspends the service cannot file a claim because of the failure of an exhibitor to play his pictures according to the contract. The recourse of such distributor is a cancellation of his contract, which cancellation is provided for under Rules and Regulations pertaining to Arbitration.

If an exhibitor's service is suspended for a period, say of three months, it is logical for the exchange to allow such [fol. 2135] an exhibitor and a time equal to that during which service was suspended in which to complete his contract. For instance, if in strict accordance with the contract all pictures should be played or paid for by June 1st, and

service has been suspended for three months, the exhibitor should be given until September 1st to play out the contract.

If a distributor fails to comply with an award within the allot-ed time you should write to Mr. Hess outlining the case. The recourse of the exhibitor is cancellation of all existing contracts with such distributor.

If an exhibitor deposits with the distributor the amount demanded as additional security you should see the check so received, and should receive a copy of the deposit ticket showing that the check was deposited with a bank. The exhibitor in such case is entitled to receive service which he has under contract, but should not be permitted to exceed the playing arrangement if any which appears upon the contract.

The reason for this is obvious. The exhibitor, while it is true, would soon complete his contract with such distributor, should not put in the position of playing one company's products entirely to the seclusion of other distributors who hold contracts.

Payment of the amount demanded by an exchange as additional security is tendered by the exhibitor in a cashier's or certified check may not be refused, and an exchange is compelled to deliver pictures under contract.

However, an offer to pay in cash for any pictures after service has been suspended is not a compliance with the Exchange's demand for additional security, and such exhibitors should be referred to the Distributor's letter in which he asks for additional security.

Any pictures paid for by the exhibitor prior to the suspension of service must be delivered.

[fol. 2136] An award against an exhibitor is effective at every theatre operated by the exhibitor, regardless of where the theatre is located, at which the award was made. For instance; if a man operating six theatres has an award against him, such award is effective on each existing contract the exhibitor may hold regardless of where the theatre is located.

However, care must be taken that the theatre is owned by such exhibitor in its entirety; If the exhibitor owned a theatre in Partnership then the award made against the

exhibitor individually could not be effective against the partnership.

Acceptance of contracts: Acceptance of contracts must be made by the distributor within the period of time specified by the contract. In this territory there is fifteen days. If an application is not accepted within that time, the exhibitor may deem the application withdrawn. If however, deliveries of pictures are made and accepted by the exhibitor, that provision is deemed waived.

Rejection of an application must be received by the distributor prior in point of time to the depositing in the mail or sending of a telegram of acceptance by the distributor.

Film Board meetings: On Monday prior to the next meeting of the Film Board you have on Saturday, send memorandum to all Branch managers giving them the date. After the meeting send minutes of the previous meeting to New York.

Never mention fines in your minutes sent to New York. Also do not mention other matters which you think might cause comment.

Appointment of Committees: All committees are appointed by the President and changed every three months. Next committees should be appointed within the next month.

Credit Committee: New owner of a theatre may spot book pictures from any company during the period of spot booking. Regardless of whether or not such company has contracts with the old owner.

[fol. 2137] Pathe will not permit managers to operate with Credit Committee (rather be bound by Credit Committee Rules). Conditions exist nationally. However, they recognize Credit Committee Rules and conditions disclosed, with result Pathe Managers have in effect cooperated. Recommend in all instances that no action be taken with respect to membership as to Pathe's position. (1/24/27).

Members' statement should not contain price of pictures contracted for. Therefore, no information is exchanged with respect to prices. (11/26/26)

Distributor can avoid embarrassment when requested by exhibitor why demand for security is made by stating that Credit Committee after investigation reached conclusion

that credit standing of exhibitor does not warrant making contract with him without security. If exhibitor asks that his credit rating be reconsidered, communicate with him in name of Credit Committee, stating his credit rating has either been favorably passed upon or that Credit Committee is still of opinion that exhibitor's credit standing does not warrant change in prior report, neither under Credit Committee Rules nor by agreement among the members. (9/29/26)

If prior to listing name of exhibitor, the new owner of theatre on Credit Committee List, and without knowledge that theatre has been sold or transferred, distributor enters into contract with such exhibitor, distributor is obligated to fully carry out contract without requiring security which may thereafter be fixed. However, no reason for distributor not knowing such fact. Fact that exhibitor, representing himself to be new owner seeks to contract for pictures makes distributor chargeable with knowledge and distributor is obligated under Credit Committee rules to notify Secretary of such fact. 7-23-26

Signing by exhibitor of S ex. Contract is in effect offer which may be withdrawn by notice to such effect given to the distributor prior in point of time of mailing or telegraphing of notice of acceptance by distributor. Therefore under credit committee rules (which provide no member shall enter into contract for exhibition of pictures at any theatre listed on C. I. L. for period of time in Rules specified) members may receive and hold application until Credit standing of applicant has been established by report of Credit Committee. Acceptance of application prior to Credit Committee report would ripen then into formal contracts and violate Credit Committee Rules. Further, if Credit Committee reports unfavorably it would involve complications.

If theatre is sold by state it does not constitute sale contemplated in Credit Committee Rules and exhibitor is still obligated to carry out contracts.

S. ex. contract provides if exhibitor sells theatre he may assign contract to purchaser without consent of distributor and such assignment becomes effective upon acceptance by assignee. Such assignment, however, does not provide for

[fol. 2138] change in terms of contract unless consented to in writing by distributor.

"Spot Bookings" should be made only during period Credit Committee is considering credit standing of new owner. If the Credit Committee is delayed beyond 10 days in making its report, "spot bookings" may be continued. If "spot bookings" are booked for period beyond time after report is rendered, they should be carried out.

Members of Credit Committee may not demand security from new owners listed on Credit Committee List until after amount is fixed by Credit Committee. Until new owner seeks to enter into new contract security may not be demanded.

Difference between actual assumption in writing and implied assumption by new owner requesting and accepting delivery of one or more pictures is obvious. In first place new owner simply stands in place of previous owner and security may not be demanded. In second instance new owner by requesting delivery of pictures in effect offers to enter into new contract and security if fixed by Credit Committee should be required (this however is optional).

Every new owner should be required to furnish such information with respect to credit standing as will intelligently enable Credit Committee to make report to members of Film Board of Trade. The fact that new owner acquires theatre which has been closed for any period of time should not alter the status.

If Arbitration Board should fail at time of making award to fix maximum security the Board may prior to time distributor makes demand for security supply omission and fix amount. Such action is not reopening of the case.

During ten day period Credit Committee is given to investigate distributor may use every reasonable effort to induce new owner to assume uncompleted, existing contracts. After Credit Committee has reported unfavorably and fixed amount, distributor should require from new owner desiring to enter into contracts the amount of security fixed by the Credit Committee.

The Credit Committee may not adopt any Rule to be applied universally. Credit standing of each new owner must be considered individually.

Contracts assumed by new owner who does not assume all uncompleted contracts of prior owner are required to be performed and delivery of pictures therein specified must be made, provided previous owner has by formal assignment in writing assigned such contracts to new owner [fol. 2139] and new owner has accepted in writing such assignment. If Credit Committee reports new owner should be required to deposit security, a distributor whose contracts have been assumed is required to continue making deliveries without security for performance.

Mere statement of exhibitor to salesman that change of ownership has taken place without formal notice to other distributors having contracts would not warrant discontinuance of delivery of pictures during ten days Credit Committee is investigating transfer. If it should develop that actual transfer had taken place, acceptance of delivery and payment therefor would not be sufficient for the Board of Arbitration to assume that transfer had taken place and new owner had assumed contracts. If pictures are shipped without distributor knowing of transfer, distributor should not be held to have entered into new contract, obligating distributor to continue shipping pictures.

Miscellaneous

Acceptance of Application: At any time before the expiration of period specified within which distributor may accept application and prior to mailing or telegraphing by distributor of a written acceptance, the exhibitor may withdraw application by notice in writing to distributor. Such withdrawal becomes effective if received by distributor prior in point of time to mailing or telegraphing of distributor's written acceptance. If within period specified distributor fails to give exhibitor notice in writing, application is deemed withdrawn. Exhibitor under no legal duty to notify distributor he deems same withdrawn. Provisions of application are clear in this respect. Either party to application may waive provisions thereof with respect to acceptance. It may be deemed by delivery and acceptance of pictures to have been waived.

Allocation of Playing Time: Unless all distributors consent to prorate contracts they cannot be prorated. Objection of one distributor is sufficient to nullify.

Contract may embrace one or more pictures for a distince or different type: If exhibitor signing separate applications for several pictures and circumtsances under which applications were made disclose they were executed at same time and upon same day by same parties at same place and applications (were upon identical forms specifying same "run" and "protection" (if any) for several pictures all distributed by same company to be exhibited at same theatre, several applications were part of one transaction, and if and when accepted by distributor constitute but one contract binding upon parties. Accordingly if contracts are for one class of pictures but one demand for but one deposit should be made. However, if for different classes; [fol. 2140] viz, features, comedies, serials, news reels and contract is for two or more of such class, then contract entered into same time deemed separate contracts and security for performance of each may be demanded. Con-

[fol. 2141] Universal Film Exchanges, Inc.

Tenth & High Streets, Des Moines, Iowa

April 11th, 1928.

Mr. H. F. Hull, Lytton Theatre, Lytton, Iowa.

DEAR MR. HULL: We regret to inform you that after this Saturday's program we will be unable to serve you from your new Complete Service Contract which was recently taken by Mr. Reese, until the Film Board Award which First National Pictures has against you is complied with.

We have taken this matter up with the Film Board Secretary and First National Pictures advises that they would be willing to take one date every four week- and we are sure that if you will submit your dates to First National they would accept them and it would be the most advisable thing for you to do and also the easiest.

You could use our short product along with their features and at the low rental price of $10.00 per week, even if First National Pictures do come a little high, it would balance your service and would make it possible for you to keep open.

The Secretary of the Film Board suggested that you allow her to allocate your dates for you giving each company an even share according to their contracts.

If this arrangement meets with your approval, or if you wish to set the dates yourself, please advise First National and Miss Mathews of the Film Board of Trade and we are sure everything can be straightened out to everyones satisfaction, and can be straightened out this week so that there will be no break in your service and you will not have to close your house.

Assuring you of our desire to cooperate with you at all times, we are,

Very truly yours, Universal Film Exchanges, Inc.
A. L. Yarowsky, A. L. Yarkowsky, Booker.

ALY:RM.
Universal's Mightiest Motion Picture.
Carl Laemmle presents Uncle Tom's Cabin. A Pollard Production.
Exhibit #72, P.W., 10/4/28.

[fol. 2142] Universal Film Exchanges, Inc., 918 Locust Street, Des Moines, Iowa; Tenth & High Sts.

April 16, 1928.

Address all replies to the office sending this letter and refer to ——.

Mr. H. F. Hull, Lytton Theatre, Lytton, Iowa.

Dear Mr. Hull: We are enclosing herewith your approved contract for our 1927-28 Complete Service.

Thanking you for this contract and assuring you of our desire to cooperate at all times, we are,

Very truly yours, Universal Film Exchanges, Inc.
J. C. Osserman, J. C. Osserman. Manager.

JCO*CH.
Enc.
Reg.
5.
Exhibit #73, P.W., 10/4/28.

[fol. 2143] Universal Film Exchanges, Inc., Tenth & High Streets, Des Moines, Iowa

May 15th, 1928.

Mr. H. F. Hull, Lytton Theatre, Lytton, Iowa.

DEAR MR. HULL: Under date of April 11th, we wrote you advising that we were forced to discontinue shipping you service due to the fact that you had not complied with the Film Board Award which First National had against you.

We advised you in that letter, that we would do all that was possible to help you in rearranging your bookings so that you could stay open, but we did not receive the courtesy of a reply from you.

If you desire to reopen your house, we assure you that we will do everything in our power to make this possible and we are sure that the First National Corporation will be more than willing to cooperate with you.

Please advise us regarding this and we assure you of our cooperation.

Very truly yours, Universal Film Exchanges, Inc.
A. L. Yarowsky, A. L. Yarowsky, Booker.

ALY:RM.

Universal's Mightiest Motion Picture.

Carl Laemmle presents Uncle Tom's Cabin, a Harry Pollard Production.

4.

Exhibit #76, P.W., 10/4/28.

[fol. 2144] Form 1204

Western Union

Newcomb Carlton, President. J. C. Willever, First Vice-President

The filing time as shown in the date line on full-rate telegrams and day letters, and the time of receipt at destination as shown on all messages, is standard time.

Received at Des Moines, Ia. 411 P. 7-11-28. 12. Lytton Theatre, Lytton, Ia.

Cannot serve film tonight or accept your check which we are returning.

Fox Film Corpn.

4:55 P.M. 12.

Exhibit #78, P.W., 10/4/28.

[fol. 2145] Printed in U. S. A.

Fox Film Corporation

Head Office: 850 Tenth Ave., New York, N. Y.

Telephone: Columbus 3320. Cable Address: Foxfilm-New York

1022 High Street, Des Moines, Iowa

William Fox, President

Branches: All Principal Cities of the World

July 11, 1928.

Mr. H. F. Hull, Lytton Theatre, Lytton, Iowa.

DEAR MR. HULL: Enclosed please find check for $350.00 which we are returning to you, as per our telephone conversation of even date.

Yours very truly, J. L. Raper, J. L. Raper, Branch Manager.

JLR:W.
14.

Exhibit #79, P.W., 10/4/28.

[fol. 2146] Ars Gratia Artis

Metro-Goldwyn-Mayer Pictures, 1512 Devenport Street, Omaha, Nebr.

July 14, 1928.

H. F. Hull, Lytton Theatre, Lytton, Iowa.

DEAR MR. HULL: We are in receipt of your letter of July 12th, and have arranged bookings for you, starting July

21st. We will supply you with one feature and comedy each Saturday thereafter until contract is completed.

We sincerely regret that we are unable to supply you with two programs per week.

We also wish to acknowledge receipt of your check in the amount of $350.00, which amount will be returned to you at the expiration of your contract with us.

Yours very truly, F. C. Hensler, Dr., Resident Manager Metro Goldwyn Mayer Dist. Corp.

E:F.
Enc.
The Talk of the Industry.
7.
No Agreement or Order will be binding on this Corporation unless in Writing and signed by an Officer.
Exhibit #82, P.W., 10/4/28.

[fol. 2147] Des Moines Film Board of Trade, 210-11 Iowa Building, Des Moines, Iowa

Leone Matthews, Secretary

Telephone: Market 2051

August 21st, 1928.

Mr. H. F. Hull, Lytton Theatre, Lytton, Iowa.

Dear Mr. Hull: We are enclosing herein the decision rendered by the Joint Board of Arbitration, together with your contracts and correspondence which were left here since the first hearing.

It is the suggestion of the Arbitration Board, Mr. Hull, that you get in touch with the First National Pictures Corporation and see if you cannot straighten up the award which they hold against you.

With kindest regards, we are,

Sincerely yours, Leone Matthews, Secretary.

15.
Exhibit #83, P.W., 10/4/28.

[fols. 2148 & 2149] City of Des Moines
State of Iowa,
County of Polk:

In the Matter of the Arbitration of H. F. Hull, Lytton Theatre, Lytton, Iowa, Exhibitor, and Fox Film Corporation, Des Moines, Iowa, Distributor

We, the undersigned arbitrators, having been duly appointed to arbitrate the matters in controversy existing between the above named Distributor and Exhibitor as by the provisions of the contract between said Distributor and said Exhibitor provided (or by the conditions of their submission in writing executed by said Distributor and Exhibitor respectively and sealed with their respective seals and duly acknowledged) and after having taken oath and after hearing the proofs and allegations of the said parties and due deliberation having been made we do hereby award, determine and order; that is to say:

(Here express in clear and precise terms the award so that nothing shall be left uncertain. The award should be final in its terms so as to terminate the controversy.)

Award.—Hold that Mr. Hull be given a Credit Memo. by the Fox Film Corporation in the amount of $30.00 covering miss-out under date of July 11th, 1928.

Upon the failure of the exhibitor to fully comply with this award within seven days from the date thereof the sum of $— is hereby fixed as the maximum amount which each distributor a member of the —— Film Board of Trade having a contract with the exhibitor may demand pursuant to the provisions of the Arbitration Clause contained therein as security for the performance by the exhibitor of each such contract.

In witness whereof we have subscribed this award this 20th day of August 1928.

Ralph E. Peckham (L. S.), J. C. Osserman (L. S., —— —— (L. S.), E. P. Smith (L. S.), Will H. Eddy (L. S.).

[fol. 2149] Exhibit # 84. PW. 10/4/28

[fol. 2150] The Lytton Theatre, H. F. Hull, Manager,
Lytton, Iowa

August 27, '28.

Fox Film Co., D. Moines:

Give me features & comedies for Sept. 12-19 & 26. In Settlement of award advise return mail bookings.

H. F. Hull, Mgr.

17.

Exhibit #85, P.W. 10/4/28.

[fol. 2151] Printed in U. S. A.

Fox Film Corporation

Head Office: 850 Tenth Ave., New York, N. Y.

Telephone: Columbus 3320. Cable Address: Fox Film—New York

1022 High Street, Des Moines, Iowa

William Fox, President

Branches: All Principal Cities of the World

Lytton Theatre, Lytton, Iowa.

Dear Mr. Hull: In view of our original letter regarding the suspension of Film Service, it is necessary that we receive from you the deposit check required in instances of this nature.

Until such deposit check is received, we cannot accept any bookings requested.

Very truly, R. A. O'Brien, R. A. O'Brien, Booking Department.

RAOB:FC.

Fox Pictures—Nationally Recognized as The Best!

Exhibit #86, P.W. 10/4/28.

[fol. 2152] First National Pictures, Inc., 1001 High St., Des Moines, Iowa

Phone: Walnut 3993

First National Pictures

August 29th, 1928.

Mr. H. F. Hull, Lytton Theatre, Lytton, Iowa.

Dear Mr. Hull: Replying to your favor of August 25th, the writer is sorry but, as per our wire of August 28th, we could not supply you with a feature for your use August 29th unless you agree to comply with the award handed down by the Joint Board of Arbitration.

It is our desire to cooperate with all exhibitors, but the playing arrangement mentioned in your letter of August 25th stating that you could only play one picture per month from First National, I wish to say I feel is not anywheres near what we are entitled to. Will you kindly go over your records and booking book and see if it is not possible to supply us with one date per week?

Trusting this is the information you desire and awaiting with interest your reply, I beg to remain

Yours very truly, First National Pictures, Inc. T. H. Vicker, T. H. Vicker, Booker.

THV:D.

H. wrote saying could only give 1 per mo. as had other contracts. They answer as above.

First National First.

Exhibit #87, P.W., 10/4/28.

[fol. 2153] Form No. 1

Board of Arbitration

Complaint

1-10-28.

Dear Sir: We attach hereto a contract entered into with F. E. Howard exhibitor, operating the Family Theatre at Elma in the City of Iowa.

We respectfully complain against said exhibitor as follows:

(Here insert a plain and concise statement of facts.)

Due to the fact that Mr. Howard has closed his theatre we have held up shipments on our contracts. The following product remains undated:

29 Weeks C. S. C. at $15.00	$435.00	Dated 11-20-25.
13 International Newsreels	19.50	Dated 11-20-25.

We wish the validity of these contracts established so that when the theatre reopens our contracts will become automatically in force.

We desire you to advise the exhibitor of our claim, and if it is denied, or if the exhibitor fails to respond to your communication, or if an answer is received and it is not satisfactory to us, we desire our claim brought before the Board of Arbitration for determination.

Very truly yours, Geo. C. Naylor, Distributor Universal Film Exch., Manager.

Exhibit #182, P.W. 10/4/28.

[fol. 2154] Form No. 3

Des Moines Board of Arbitration

January 30, 1928. 19—.

Mr. F. E. Howard, Family Theatre, Elma, Iowa.

DEAR SIR: On Jan. 18th, 1928 the Firm Board of Trade here notified you of the claim against you by the Universal Distributor based upon the facts set forth in such notice.

To this date you have not answered such claim.

Please, therefore, take notice that in accordance with your agreement with said Distributor the said claim has been submitted to this Board of Arbitration for determination pursuant to the rules of Procedure and Practice now in force.

A hearing will be held at 211 Iowa Building in the City of Des Moines on Feb. 6th, 1928 at 1:30 P. M. o'clock at which time you are respectfully requested to appear be-

fore this Board and you will then be given an opportunity to be fully heard and to submit such evidence as you have bearing upon the said claim.

Very truly yours, Des Moines Board of Arbitration, by Leone Matthews, Secretary.

GENTLEMEN: I am at a loss to know just what is meant by the filing of this claim, and what is expected of me. The theatre is closed and Universal is not being treated differently from the other exchanges. I have no money to go to Des Moines. If they make an award against me they will have to make the best of it. If I am to be hounded by the exchanges such action will simply delay the reopening of the theatre at any time in the future.

F. E. Howard.

Exhibit #185, P.W., 10/4/28.

[fol. 2155] February 4th, 1928.

Mr. F. E. Howard, Family Theatre, Elma, Iowa.

DEAR MR. HOWARD:

Referring to the notation on your letter to you under date of January 30th, the Universal Film Exchange has filed this claim to establish the validity of their contract when the theatre re-opens. It is just a matter of form.

Sincerely yours, —— —— Secretary.

Exhibit #186.
PW.
10/4/28.

[fol. 2156] CITY OF DES MOINES,
State of Iowa,
County of Polk:

In the Matter of the Arbitration of UNIVERSAL FILM EXCHANGE, Des Moines, Iowa, Distributor, and MR. F. E. HOWARD, Family Theatre, Elma, Iowa, Exhibitor.

We, the undersigned arbitrators, having been duly appointed to arbitrate the matters in controversy existing between the above named Distributor and Exhibitor as by the

provisions of the contract between said Distributor and said Exhibitor provided (or by the conditions of their submission in writing executed by said Distributor and Exhibitor respectively and sealed with their respective seals and duly acknowledged) and after having taken oath and after hearing the proofs and allegations of the said parties and due deliberation having been made we do hereby award, determine and order; that is to say:

(Here express in clear and precise terms the award so that nothing shall be left uncertain. The award should be final in its terms so as to terminate the controversy.)

Hold—That the contract dated November 20th, 1925 between the Exhibitor and the Distributor be declared valid and that the Exhibitor be required to supply satisfactory playing time to the Distributor upon the re-opening of his theatre.

Upon the failure of the exhibitor to fully comply with this award within seven days from the date thereof the sum of $500.00 is hereby fixed as the maximum amount which each distributor a member of the Chi-Omaha-D. Moines Film Board of Trade having a contract with the exhibitor may demand pursuant to the provisions of the Arbitration Clause contained therein as security for the performance by the exhibitor of each such contract.

In witness whereof we have subscribed this award this 6th day of February 1928.

Will H. Eddy (L. S.), L. L. Phillips (L. S.), Ed R. Smith (L. S.), W. E. Banford (L. S.), H. Hiersteiner (L. S.), James Winn (L. S.).

[fol. 2157] State of Iowa,
County of Polk:

On this — day of ——, 192-, before me, a Notary Public in and for said County and State, personally appeared —— ——, —— ——, known to me to be the individuals described in and who executed the foregoing instrument, and they duly acknowledged to me that they executed the same.

—— ——, Notary Public.

Exhibit #187, PW., 10/4/28.

[fol. 2158] Copy

The Elma New Era,

Frank E. Howard, Editor & Publisher

Elma, Iowa, Mar. 24, 1928.

Vitagraph, Inc., Minneapolis, Minn.

GENTLEMEN: I have your letters of March 16th and 23rd in re adverse award by the Des Moines Film Board, and note you have "suspended service". Do you realize that there is a probability that someone is spoofing you? I have unfinished contracts with Universal, Metro-Goldwyn, United Artists, and none of these have sent me the formal notices that have come from your office. What kind of a game is being played on me and on you. Are they jockeying you into a position to jump onto me when the Family Theatre does open, by putting me up before the Minneapolis Board and thus string the thing along interminably.

Here are the facts. A reference to your files will show that early in January you received a registered letter from the Family Theatre at Elma, Iowa, informing you that the theatre was closed on account of poor business. All of the exchanges in Iowa with whom the theatre had contracts, and one exchange in Omaha, received the same formal notices by registered mail, all of which were mailed on the same day. All answered gracefully and sympathetically, except Universal. That guy took two weeks in which to get over the shock and answer me. Then he said that he would have to "put the theatre up before the board, for his own protection." The then manager of Universal, Mr. Naylor, seemed to feel that he was being treated unfairly —seemed to feel that some other of the exchanges were being favored at his expense. I disabused his mind on this point by sending in the dates and the number of unplayed pictures on the other contracts. I even sent in your old contract which antedates Universal's by a considerable period.

Well, the Board notified me that a "complaint" had been filed by Universal. I replied that all I had done was to close the theatre for the balance of the winter, that I expected to reopen in the spring, if conditions looked favor-

able, and that I did not know what complaint the Universal really had nor what was expected of me under the circum-
[fol. 2159] stances. The secretary of the Board acknowledged my letter and replied that Universal's complaint was merely a matter of form. I did not appear or make any further representations and the "award" was made in due course, and that was the last I heard of it until I heard from you.

If there is anything in the standard exhibition contract that prevents a man from closing his theatre when he is not grossing enough to lift the films and cannot borrow from the bank or from friends, when the postmaster or expressmen will not let the film out without the cash, and it is impossible to get the cash, what is the answer? Under such circumstances I had a right to close and all the exchanges from coast to coast cannot prevent such action. Now, if the Will Hayes organization wants to frame up a boycott and close the Family Theatre permanently it will be "oil" right with me. I will probably be better off out of that business entirely. I can turn the building into a filling station and get some rent out of it. But there is one thing I will not do, I will not be bulldozed by any exchange organization in the United States.

Sincerely, F. E. Howard.

P. S.—Your notices were directed to "G. E. Howard". "G" is incorrect.

28-1.

Exhibit #188, PW., 10/4/28.

[fol. 2160] Minneapolis Film Board of Trade, Inc., 704 Film Exchange Building, Minneapolis, Minn.

March 28, 1928.

Miss Leone Matthews, Secty., Des Moines Film Board of Trade, 210 Iowa Building, Des Moines, Iowa.

Dear Miss Matthews: Enclosed herewith is a copy of the letter sent on March 24 to Vitagraph with regard to the security letters they sent as per my bulletin March 20 on the Family Theatre at Elma, Iowa.

Did the contract holders in your Board send security letters to this account?

Today Vitagraph received a letter giving them dates and advising them that he will open on April 8 with a Metro picture. He will be open every Sunday beginning with April 8, and advises he has sent dates to all contract holders.

Please advise if the award has been complied with.

Sincerely yours, M. M. Dietz, Secretary.

jd.

Exhibit #191, PW., 10/4/28.

[fol. 2161] March 29, 1928.

Dear Miss Foley: Will you kindly advise us how much service Mr. F. E. Howard of the Family Theatre, at Elma, Iowa, has with the United Artists Corporation in Omaha?

Mr. Howard is desirous of re-opening his theatre on April 8th, but before doing so it will be necessary for him to comply with the Universal award at this Board.

He has sent dates to Universal, Metro-Goldwyn and Fox at this Board; also to Vitagraph at Minneapolis, but the dates submitted to Universal are not satisfactory, and they would like to be advised as to how much service he has contracted for with all Companies before making any definite decision.

Sincerely yours, —— —— Secretary.

4.

Exhibit #192, PW., 10/4/28.

[fol. 2162] March 29, 1928.

Mrs. M. M. Dietz, Minneapolis Film Board of Trade, 704 Film Exchange Building, Minneapolis, Minn.

Dear Mrs. Dietz: In reply to your letter of March 28th, concerning the Family Theatre at Elma, Iowa.

It has been the custom of this Board not to send Deposit and Suspension letters when a house is closed, but merely add the name to the Permanent Arbitration list fourteen days after the award has been rendered. This was done in the above case, inasmuch as Universal's complaint called for the protection of their contract in the event the theatre re-opened, and the award was rendered accordingly.

So far the award has not been complied with, however, Universal advise they received a letter from Mr. Howard to the effect that he desired to re-open on April 8th, and gave them dates. They have not accepted these inasmuch as they were not satisfactory.

Will you kindly advise how many pictures Mr. Howard has under contract with the Vitagraph Company in Minneapolis? We are trying to ascertain just how much service he has under contract with the various Exchanges at the three Boards.

We shall advise you the outcome of the situation just as soon as we can.

Sincerely yours, —— —— Secretary.

5.

Exhibit #193, PW., 10/4/28.

[fol. 2163] Minneapolis Film Board of Trade, Inc.,
704 Film Exchange Building, Minneapolis, Minn.

March 30, 1928.

Miss Leone Matthews, Secty., Des Moines Film Board of Trade, 210 Iowa Building, Des Moines, Iowa.

Dear Miss Matthews: This is to acknowledge receipt of your letter of March 29.

Vitagraph, Inc., have sixteen featuress under contract with Mr. Howard.

We have had no awards here similar to the Universal award at Elma, Iowa, and for this reason I was unaware of the procedure taken on the award.

I would appreciate your further advice on the matter when the award has been complied with.

Sincerely yours, M. M. Dietz, Secretary.

jd.

25

Exhibit #194, PW., 10/4/28.

[fol. 2164] Omaha Film Board of Trade, Medical Arts Bldg., Omaha, Nebr.

Office of Secretary, R. M. Foley

Telephone: Atlantic 4101

March 31st, 1928.

Miss Matthews: The amount of service outstanding with United Artists here for the Family Theatre at Elma, Iowa, is five features.

Mr. Howard has also sent dates to United Artists on these pictures.

Yours sincerely, R. M. Foley, Secretary.

24.

Exhibit #195, P., 10/4/28.

[fols. 2165 & 2166] Western Union

4/4/28.

Miss Rosemary Foley, Omaha Film Board of Trade, Medical Arts Building, Omaha, Nebr.

Family Theatre Elma Iowa complied Universal award.

Des Moines Film Board of Trade.

Paid.

Chg. Des Moines Film Board of Trade.

6.

Exhibit #196, P.W., 10/4/28.

[fols. 2167 & 2168] Western Union

4/5/28.

Mrs. M. M. Dietz, Minneapolis Film Board of Trade, Film Exchange Building, Minneapolis, Minn.

Howard Family Theatre Elma Iowa complied with Universal award service okey.

Leone Matthews, Des Moines Film Board of Trade.

Paid.

Chg. Des Moines Film Board of Trade.

7.

Exhibit #197, P.W., 10/4/28.

[fol. 2169] Form No. 1

Board of Arbitration

Complaint

July 27, 1927.

DEAR MISS LITTELL: We attach hereto a contract entered into with C. M. Cronk, exhibitor, operating the Liberty Theatre at Everly in the the City of Iowa.

We respectfully complain against said exhibitor as follows:

(Here insert a plain and concise statement of facts.)

That the exhibitor furnish play dates in accordance with the terms of his contracts when theatre reopens. Theatre now reported closed.

$507.50

We desire you to advise the exhibitor of our claim, and if it is denied or if the exhibitor fails to respond to your communication, or if an answer is received and it is not satisfactory to us, we desire our claim brought before the Board of Arbitration for determination.

Very truly yours, First National Pictures, Inc., Distributor. E. J. Tilton, Manager.

2.

BM

Exh. 173, P.W., 10/4/28.

[fol. 2170] Peter Ketelsen, President; Lewis Scharnberg, Vice-President; John A. M. Heuck, Vice-President; A. P. Cronk, Cashier; C. M. Cronk, Asst. Cashier; E. Brugman, Asst. Cashier; E. M. Petersen, Asst. Cashier.

FNB

No. 7828

The First National Bank

Capital and Surplus: $65,000.00

Everly, Iowa, August 5th, 1927

Miss Audrey L. Littell, Sec., Des Moines Film Board of Trade, Des Moines, Iowa.

DEAR MADAM: Answering the complaint of First National Pictures, Inc., kindly advise them that when I reopen the

Liberty Theatre, I will furnish them with play dates in accordance with my contract.

Yours truly, Liberty Theatre, C. M. Cronk, C. M. Cronk.

3.

Exh. 174, P. W., 10/4/28.

[fol. 2171] Peter Ketelsen, President; Lewis Scharnberg, Vice-President; John A. M. Heuck, Vice-President; A. P. Cronk, Cashier; C. M. Cronk, Asst. Cashier; E. Brugman, Asst. Cashier; E. M. Petersen, Asst. Cashier.

FNB

No. 7828

The First National Bank

Capital and Surplus: $65,000.00

Everly, Iowa, August 5th, 1927.

Miss Audrey L. Littell, Sec., Des Moines Film Board of Trade, 210-211 Iowa Building, Des Moines, Iowa.

Dear Madam: I am enclosing herewith Claim Blanks filled out against First National Pictures, Inc., Des Moines, Iowa, also my approved contracts, two telegrams, two letters and one envelope and ask that you file same against them. If this complaint comes before the board I wish to be there in person, and would appreciate your notifying me as soon as possible so I can arrange to be there.

Yours truly, Liberty Theatre, C. M. Cronk, C. M. Cronk.

13.

Exh. 163, P.W., 10/4/28.

[fol. 2172] August 9, 1927.

Mr. E. J. Tilton, First National Pictures, Inc., 1001 High Street, Des Moines, Ia.

Dear Mr. Tilton: Enclosed herewith please find claim filed against First National Pictures, Inc. by Mr. C. M. Cronk, Liberty Theatre, Everly, Iowa.

This claim is filed upon the same contracts upon which you are bringing claim for dates against the exhibitor.

Sincerely yours, ——— ———, Secretary.

11.

Exb. 164, P.W., 10 4 28.

[fol. 2173] August 15, 1927.

Mr. C. M. Cronk, The First National Bank, Everly, Iowa.

DEAR MR. CRONK: For your information, and for our guidance, I have made inquiry as to the acceptance of an application such as stated in your claim against First National Pictures, Inc.

I quote herewith from a letter received from the General Attorney in New York who interprets the Standard Exhibition Contract nationally for both exhibitors and distributors, and his opinion is as follows:

"The acceptance of an application must be made by notice in writing by an officer of or any person duly authorized by the distributor, sent to the exhibitor by mail or telegraph within the number of days after the date thereof specified. The approval of an application by the home office of a distributor may be deemed to be the equivalent of the written acceptance provided for in the application.

"Therefore, a telegram sent to an exhibitor by the manager of the branch office of the distributor accepting an application prior to its approval by the home office of the distributor may be held to be a valid acceptance, because in the absence of notice to the contrary, the exhibitor may assume that the branch manager of the distributor is a person duly authorized to accept his application.

"In this connection it should be noted that the approval of an application after written notice of acceptance has been mailed or telegraphed is but a confirmation of such written acceptance. Therefore, if an application was accepted by a telegram containing the words quoted by you, to wit: "contract given this date approved Home Office," and it appears upon the approved copy of the contract from New York that such approval was more than fifteen [fol. 2174] days after the date of the application, it seems to me that such approval simply confirms the acceptance. The fact that the telegram contained the statement that it

was approved by the Home office would not be inconsistent with the fact that the Home office either telephoned or telegraphed an approval, and did not get around to formally approving it until some time thereafter had elapsed."

I quote the foregoing letter merely for your information, and shall put the claim through before the Board of Arbitration and duly notify you of the date of the hearing thereof if you so desire.

Sincerely yours, —— ——, Secretary.

8 & 9.
Exb. 167, P.W., 10/4/28.

[fol. 2175] Peter Ketelsen, President; Lewis Scharnberg, Vice-President; John A. M. Heuck, Vice-President; A. P. Cronk, Cashier; C. M. Cronk, Asst. Cashier; E. Brugman, Asst. Cashier; E. M. Petersen, Asst. Cashier.

FNB

No. 7828

The First National Bank

Capital and Surplus: $65,000.00

Everly, Iowa, August 16th, 1927.

Miss Audrey C. Littell, Sec., Des Moines Film Board of Trade, Des Moines, Iowa.

Dear Madam: Answering your letter of August 15th, please be advised that I desire you to put my claim thru as filed.

Your letter was read with a great deal of interest as I too, laid my case before a man in New York and also an attorney in Des Moines, before filing and I might say there is a varied opinion, so we will let the Board have its say before going further. I might add that I do not think you made it clear to this attorney in New York that it was an impossibility for the Home Office in New York to approve my contract from the time signed until I received confirmation either by wire or telephone. As far as the telephone is

concerned you cannot certify a contract or anything else over the telephone in this State and be legal.

Awaiting your notice of my hearing, I am

Yours truly, Liberty Theatre. C. M. C., C. M. Cronk.

7.

Exh. 168, P.W., 10/4/28.

[fol. 2176] City of Des Moines,
State of Iowa,
County of Polk:

In the Matter of the Arbitration of First National, Distributor, and C. M. Cronk (against), First Natl. Bank, Everly, Ia., Dis.

We, the undersigned arbitrators, having been duly appointed to arbitrate the matters in controversy existing between the above named Distributor and Exhibitor as by the provisions of the contract between said Distributor and said Exhibitor provided (or by the conditions of their submission in writing executed by said Distributor and Exhibitor respectively and sealed with their respective seals and duly acknowledged) and after having taken oath and after hearing the proofs and allegations of the said parties and due deliberation having been made we do hereby award, determine and order: that is to say: (Here express in clear and precise terms the award so that nothing shall be left uncertain. The award should be final in its terms so as to terminate the controversy.)

That the contract between the Distributor and the Exhibitor, dated, June, 8th, 1927, be declared valid.

[Upon the failure of the exhibitor to fully comply with this award within seven days from the date thereof the sum of $300.00 is hereby fixed as the maximum amount which each distributor a member of the Chi-Omaha-D.-Moines Film Board of Trade having a contract with the exhibitor may demand pursuant to the provisions of the Arbitration Clause contained therein as security for the performance by the exhibitors of each such contract.]*

[*Words and figures enclosed in brackets erased in copy.]

In witness whereof we have subscribed this award this 29th day of August, 1927.

B. B. Reingold (L. S.), R. M. Copeland (L. S.), W. E. Banford (L. S.), Will H. Eddy (L. S.), C. E. Carragher (L. S.), —— —— (L. S.)

[fol. 2177] State of Iowa,
County of Polk:

On this — day of ——, 192-, before me, a Notary Public in and for said County and State, personally appeared —— ——, known to me to be the individuals described in and who executed the foregoing instrument, and they duly acknowledged to me that they executed the same.

—— ——, Notary Public.

10.
Exh. 172, P. W., 10/4/28.

[fol. 2178] City of Des Moines,
State of Iowa,
County of Polk:

In the Matter of the Arbitration of First National, Distributor, and C. M. Cronk, Lib. Theatre, Everly, Ia., Exhibitor

We, the undersigned arbitrators, having been duly appointed to arbitrate the matters in controversy existing between the above named Distributor and Exhibitor as by the provisions of the contract between said Distributor and said Exhibitor provided (or by the conditions of their submission in writing executed by said Distributor and Exhibitor respectively and sealed with their respective seals and duly acknowledged) and after having taken oath and after hearing the proofs and allegations of the said parties and due deliberation having been made we do hereby award, determine and order; that is to say: (Here express in clear and precise terms the award so that nothing shall be left uncertain This award should be final in its terms so as to terminate the controversy.)

That the contracts between the Distributor and the Exhibitor, dated June 6th, 1926 and April 6th, 1927, be declared valid, and that the exhibitor furnish play dates to the

distributor within fourteen days from the date of this award.

Upon the failure of the exhibitor to fully comply with this award within seven days from the date thereof the sum of $300.00 is hereby fixed as the maximum amount which each distributor a member of the Chi Omaha-D. Moines Film Board of Trade having a contract with the exhibitor may demand pursuant to the provisions of the Arbitration Clause contained therein as security for the performance by the exhibitor of each such contract.

In witness whereof we have subscribed this award this 29th day of August 1927.

R. M. Copeland (L. S.), W. E. Banford (L. S.), —— —— (L. S.), J. T. A. Vicker (L. S.), C. E. Comergher (?) (L. S.), —— —— (L. S.).

[fols. 2179-2207] Exhibit #175, PW., 10/4/28.

[fols. 2208 & 2209] GOVERNMENT'S EXHIBIT 36

Film Boards of Trade

U. S.

v.

PARAMOUNT FAMOUS LASKY CORPORATION et al.

(Arbitration Case)

Miscellaneous Home Office Correspondence, Film Boards of Trade

[fol. 2210] Atlanta Film Board

[fol. 2211] Exhibit #4

Film Boards of Trade

Charles C. Pettijohn, General Counsel; Gabriel L. Hess, General Attorney

469 Fifth Avenue, New York, Apr. 20, 1927.

April 18, 1927.

Mr. E. L. Cole, Secy. Atlanta Film Board of Trade, Atlanta, Ga.

DEAR MR. COLE: This is to acknowledge receipt of your letter of April 13, 1927, enclosing affidavits in the bicycling

case against Frank Plaginos, State Theatre, Gainesville, Ga.

Please make every effort to have the Paramount and First National managers, as well as the managers of any other companies whose pictures have been bicycled, file their claims with the Board of Arbitration and if they do not do so, please advise this office so that we may take the matter up with the repective home offices.

Your very truly, Gabriel L. Hess, Gabriel L. Hess, General Attorney.

(Affidavits returned herewith.)

[fol. 2212] Exhibit #5

April 20, 1927.

Mr. Gabriel L. Hess, General Attorney Film Boards of Trade, 469 Fifth Avenue, New York City.

Dear Mr. Hess: I have yours of the 18th returning the affidavits in the bicycling case against Frank Plaginos, State Theatre, Gainesville, Ga.

I had already requested Paramount and First National to file their claims, but to date they have not done so. Am asking them again today to do so, and if these claims are not received in a few days, will advise you. Each of the Managers advised me a few days ago that they were waiting to hear from their Home Office on the subject.

Yours very truly, —— ——, Executive Secretary.

[fol. 2213] Exhibit #15

(Copy)

President's Office, Brenau College Conservatory, Gainesville, Georgia

June 8, 1927.

Hon. Will H. Hays, President Motion Pictures Producers & Distributors, 469-5th Ave., New York.

My Dear Sir: I am informed that some question has been raised against Mr. Frank Plaginos, manager of State Theatre, Gainesville, Ga., regarding his showing some pictures at Brenau College, and I am writing to give you the

conditions under which this has been done. Brenau College has a student body of 500, the great majority of whom are allowed to attend the theater in the town, but some of the underclassmen are not allowed this privilege, and it has been the custom of Mr. Plaginos two or three days per month after his theater closes in the evening to send a picture to the College for the entertainment of this group. Many of these pictures have been complimentary, but for some he has been given a small compensation which would very little more than cover the cost of two or three boys who are employed to bring the film to the College. I consider that he has done this as a favor to the Institution, and not with an idea of profit to himself, or of violating the spirit of his contract. Mr. Plaginos is an excellent public spirited citizen, and I am sure is entitled to generous consideration in this matter.

Yours very truly, —— ——.

[fol. 2214] Exhibit #16

Motion Picture Producers & Distributors of America, Inc.,
469 Fifth Avenue, New York City

Will H. Hays, President; Carl E. Milliken, Secretary

Office of the Secretary

Jun. 15, 1927.

June 11, 1927.

Mr. E. L. Cole, Film Board of Trade, Marietta Building,
Atlanta, Georgia.

My Dear Mr. Cole: I am sending you a copy of the letter just received from Miss Pearce, dean of Brenau College at Gainesville, Georgia, and a copy of our reply. It may be that you will wish to make some contact with this institution in the event that you are in a position to supply a film service for a nominal cost.

With kindest regards, I am

Sincerely yours, Carl E. Milliken, Secretary.

[fol. 2215] Exhibit #17

Brenau College Conservatory Gainesville, Georgia

June 8, 1927.

Hon. Will H. Hays, 469 Fifth Avenue, New York, N. Y.

My Dear Sir: I am informed that some question has been raised against Mr. Frank Plaginos, manager of State Theatre, Gainesville, Ga., regarding his showing some pictures at Brenau College, and I am writing to give to you the conditions under which this has been done. Brenau College has a student body of 500, the great majority of whom are allowed to attend the theatre in the town, but some of the under classmen are not allowed this privilege, and it has been the custom of Mr. Plaginos, two or three days per month after his theatre closes in the evening, to send a picture to the College for the entertainment of this group. Many of these pictures have been complimentary, but for some he has been given a small compensation which would very little more than cover the cost of two or three boys who are employed to bring the film to the College. I consider that he has done this as a favor of the Institution, and not with an idea of profit to himself, or of violating the spirit of his contract. Mr. Plaginos is an excellent, public spirited citizen and I am sure is entitled to generous consideration in this matter.

Yours very truly, Eva F. Pearce, Dean.

[fol. 2216] Exhibit #18

June 11, 1927.

Miss Edna F. Pearce, Dean Brenau College Conservatory, Gainesville, Ga.

My Dear Miss Pearce: In Mr. Hays' absence in California I am assuming your willingness to have me reply to your letter concerning the pictures supplied to you by Mr. Plaginos.

I can understand your attitude in this matter perfectly, but when you know that all the exhibitors are thoroughly

conversant with the insistence national distributors have been obliged to lay on that part of the exhibitor's contract which has to do with the exhibition of pictures in the theatre for which they are booked only, you will understand that this breach of the contract is a very serious one.

To take care of just such situations as these, each one of our thirty-two film boards of trade have a committee which passes upon requests for gratis film service from worthy institutions who have no financial facilities for supplying entertainment.

I am sending a copy of your letter to the secretary of the Film Board of Trade for your territory.

With kindest regards, I am

Sincerely yours, —— ——, Secretary.

Exhibit #21

[fol. 2217] June 16, 1927.

Mr. Gabriel L. Hess, General Attorney, Film Boards of Trade, 469 Fifth Avenue, New York City.

Dear Mr. Hess: Referring to our correspondence and also our conversation in French Lick relative to bicycling claims against Frank Plaginos of the State Theatre, Gainesville, Ga. Famous Players and First National have each filed a claim with this Board against Plaginos basing same on the one picture of each company on which they had positive proof that he had played without permission.

You will recall that I sent you affidavits from two parties as to the playing of these two pictures.

I am now in receipt of a letter from Plaginos copy of which I am enclosing, in which you will note he admits having played 28 pictures Upon receipt of your advices to go ahead with this claim, I am going to send him a notice that same will come up for a hearing before the Arbitration Board at the meeting on June 28th. I would thank you to write me by return mail, or wire if you recommend presenting the claim to the Board.

In view of the fact this party admits playing all of these pictures, I do not think it would be asking too much to request the Arbitration Board to render an award of at least $1,000.00, $500.00 on behalf of each company, and

would appreciate your advices as to whether you agree with me.

I am enclosing copies of the forms of claims submitted by Famous Players and First National.

With kind regards,

Yours very truly, —— ——, Executive Secretary.

I am also enclosing regular claim form signed by Mr. Beacham of First National, but could not get one signed by Mr. Prince as he is out of town.

[fols. 2218 & 2219] Exhibit #22

Western Union

Received at the Journal Bldg., 7 N. Forsyth St. Atlanta, Jun. 16, 1927.

1927, Jun. 16, A. M. 8:56.

NB 249 33. FE New York NY 16 918A.

E. L. Cole, Atlanta Film Board of Trade, 215 Marietta Bldg., Atlanta Ga.

Bicycling claims should be filed with Board and reported to this office however before filing claims members should submit statement of facts to their home office which in turn ask for our recommendations.

Gabriel L. Hess.

[fols. 2220 & 2221] Exhibit #23

Western Union

Received at the Journal Bldg., 7 N. Forsyth St. Atlanta.

1927, Jun. 18, A. M. 10:44.

NE 30 30 3 Extra. FE New York NY 18 1100A.

E. L. Cole, Atlanta Film Board of Trade, 215 Marietta Building, Atlanta Ga.

Recommend proceeding with bicycling claims against Plaginos and because of its admissions covering period over one year demand five hundred dollars behalf each company is most reasonable.

Gabriel L. Hess.

[fol. 2222] Exhibit #35

July 9, 1927.

Mr. Gabriel L. Hess, General Attorney, Film Boards of Trade, 469 Fifth Avenue, New York City.

DEAR MR. HESS: Mr. Lester Neely operates a theatre at Oneonta, Ala. and also one at Altoona, Ala. It developed some time ago that he was playing pictures in both towns which were only contracted for in Oneonta.

The only admission I have been able to secure from the exhibitor is the following, which is an extract from his letter:

"Two pictures which were contracted for Oneonta were played at Altoona but were not played at Oneonta."

There are three companies in Atlanta, Liberty-Specialty Film Distributing Corporation, Warner Bros. and Paramount, who only have contracts for Oneonta. I have heralds in my possession in which he advertised the following pictures to be played in the Alamo Theatre at Altoona, Alabama:

"The Grand Duchess and the Waiter"	Paramount
"Tin Gods",	"
"Rugged Water",	"
"The Train Wreckers"	Liberty Specialty
"A Lost Trail"	"
"Sea Beast"	Warner Bros.
"The Man on the Box"	"
"Oh What a Nurse"	"

All three of these companies have filed claims for bicycling their pictures. The opposition house has promised to send me affidavits from people who saw these pictures on the screen, but to date I have not received these affidavits. The records of these companies show that the pictures mentioned above were returned to the exchange late.

This is all the evidence that I have as yet been able to secure. I would thank you to consider this matter, and if you recommend that I proceed to have the claims arbitrated, [fol. 2223] would appreciate a wire from you on Monday, so that I can register a notice to him to appear before the Arbitration Board on Tuesday, July 19th. It is my idea to

ask the Arbitration Board for an award of $250.00 on behalf of each company,—a total of $750.00, and I would also thank you to wire me as to what you think of the sufficiency of this amount.

With kind personal regards.

Yours very truly, —— ——, Executive Secretary.

[fols. 2224 &2225] Exhibit #36

Western Union

Received at the Journal Bldg., 7 N. Forsyth St. Atlanta, 1927, Jul. 11, A. M. 11:14.

Always open.

NB #316 52FE New York NY 11 1158A.

E. L. Cole, Atlanta Film Board of Trade, 215 Marietta Building, Atlanta, Ga.:

Believe facts stated your letter July ninth sufficient to proceed with bicycling claim against Neeley and that claim should be made for $250 for each of the eight instances of which you have evidence of pictures having played at Altoona which were contracted for to be shown at Oneonta.

Gabriel L. Hess.

[fol. 2226] Exhibit #46

July 25, 1927.

Mr. Gabriel L. Hess, General Attorney, Film Boards of Trade, 469 Fifth Avenue, New York City.

Dear Mr. Hess: Again referring to the Arbitration Awards made against Lester Neeley, Strand Theatre, Oneonta, Ala. for bicycling pictures to the Alamo Theatre, Altoona, Ala. in favor of Paramount, Warner Bros. and Liberty in the amounts of $250.00 each.

I am just in receipt of a letter from Mr. Neely, copy of which I am enclosing. As per his request, I am submitting this proposition to you for your consideration and decision.

Mr. Neely was not at the hearing, but came to Atlanta a few days before the case came up and took it up with me. He stated that it was impossible for him to be here, but that he would submit his defense in writing, which he did.

Of course, this matter is entirely up to you, but it would appear to me that if Mr. Neely realizes fully the seriousness of the position in which he has placed himself, he would make some kind of arrangements to make a cash settlement.

If you think it best for me to make a trip over to Oneonta and talk with him, I will be glad to do so. As soon as you have considered this matter, I would appreciate it if you would wire me what course to pursue, as the time limit for him to comply with these awards will be up next Wednesday.

With kindest personal regards.

Yours very truly, —— ——, Executive Secretary.

[fol. 2227] Vol. 1

Strand & Alamo Theatres

Lester Neely, Proprietor

Oneonta, Ala.

Undated.

Mr. E. L. Cole, Atlanta Film Board of Trade, Atlanta, Ga.

Dear Sir: I am in receipt of your notice of the Board of Arbitration. I certainly do not feel that I should have been required to do this. I did not knowingly violate my contract, but I signed a contract to abide by the decision of the Board of Arbitration and it is my desire to do so.

As to paying this full amount cash, this is absolutely impossible. I have no cash. I want the pictures of your organization and am willing to let the house pay this fine as it will. I have a number of payments to make and it keeps me low on cash. As you know this is only a town of about one thousand. But I can by making a special effort and cutting expenses manage to pay $30.00 per month and I ask that you submit this to the Hay's Organization N. Y. I am willing to make notes for same. At any time I might fail to pay same you could discontinue service, and of course you would still have the notes.

I want to pay this but at the same time I must live and I do not wish to make a note for more than I can pay as I do not consider that I would be in any better condition

than I am as it is. Will you please submit this to N. Y. and any assistance you can render me in this will be greatly appreciated.

Yours truly, (Signed) Lester Neely, Mgr.

[fol. 2228] Exhibit #48

Film Boards of Trade

Albany, Atlanta, Boston, Buffalo, Butte, Charlotte, Chicago, Cincinnati, Cleveland, Dallas, Denver, Des Moines, Detroit, Indianapolis, Kansas City, Los Angeles, Memphis, Little Rock, Milwaukee, Minneapolis, New Haven, Detroit, New York, Oklahoma City, Omaha, Philadelphia, Pittsburgh, Portland, St. Louis, Salt Lake, San Francisco, Seattle, Washington.

469 Fifth Avenue, New York

(Stamped: July 27, 1927)

Charles C. Pettijohn, General Counsel; Gabriel L. Hess, General Attorney

July 25, 1927.

Mr. E. L. Cole, Secy. Atlanta Film Board of Trade, Atlanta, Ga.

Dear Mr. Cole: This is to acknowledge the receipt of your letter of July 21, 1927 in respect to bicycling claims against Lester Neely, of the Strand Theatre, Oneonta, Ala.

I am glad to note that your Arbitration Board has made awards in favor of Paramount, Warner Bros. and Liberty of $250 for each company.

Sincerely yours, (Sgd.) Gabriel L. Hess, Gabriel L. Hess, General Attorney.

[fol. 2229] Exhibit #49

Western Union

Class of service: This is a full-rate Telegram or Cablegram unless its Character is indicated by a symbol in the check or in the address.

Symbols: Blue, Day Letter; Nite, Night Message; NL, Night Letter; LCO, Deferred; CLT, Cable Letter; WLT, Week End Letter.

Newcomb Carlton, President. J. C. Willever, 1st Vice Pres.

The filing time as shown in the date line on full-rate telegrams and day letters, and the time of receipt at destination as shown on all messages, is standard time.

Received at the Journal Bldg., 7 N. Forsyth St., Atlanta.

Always Open.

1927, July 27, AM., 8:41

NB 197 16.FE New York NY 27 933A.

(Stamped: Jul. 27, 1927. MS.)

E. L. Cole, Atlanta Film Board of Trade, 215 One O One Bldg., Atlanta, Ga.

Recommend acceptance Neely's offer to pay thirty dollars monthly and to give notes for full amount.

Gabriel L. Hess.

[fol.2230] Exhibit #51

December 15, 1927.

Mr. Gabriel L. Hess, General Attorney, Film Boards of Trade, 469 Fifth Avenue, New York City.

DEAR MR. HESS: Just for your information wish to advise that I have succeeded in unearthing some information which shows that F. L. Griffin who operates the Strand Theatre, at Carrollton, Ga. showed the pictures of six of our companies in the School Auditorium at Bowdon, Ga. for several months of last year.

This information came to light when a theatre was opened at Bowdon, Ga. and Mr. Griffin was very active with the Manager of the theatre at Bowdon in his negotiations for pictures. He advised the theatre manager at Bowdon to only buy pictures of certain companies, which companies' service, it develops, he never used, and further advised him that he (Griffin) had the County rights on the pictures of certain other companies. When the Bowdon man began negotiating with other companies for pictures he found that many of the pictures offered him for Bowdon had already played at the School Auditorium there.

I am going to make a trip to Bowdon in a few days in order to secure affidavits from the lady who is in charge of the school at Bowdon as to the playing of these pictures.

This will involve an expenditure of $4.00 or $5.00, but I am sure that this will be all right with you.

Just as soon as I have secured all of the evidence necessary to present to the Arbitration Board, I will advise you. I have checked the list of the pictures furnished me with the records of the various companies, and the dates, in almost every instance, check exactly. He would play the picture one or two days in Carrollton and the following day in Bowdon.

Yours very truly, —— ——, Executive Secretary.

[fol. 2231] Exhibit #55

January 6, 1928.

Mr. Gabriel L. Hess, General Attorney, Film Board of Trade, 469 Fifth Avenue, New York City.

Dear Mr. Hess: Referring to my letter of the 15th ult., relative to information which I had secured as to the bicycling of our members' pictures by F. L. Griffin of the Strand Theatre, Carrollton, Ga. to the School Auditorium at Bowdon, Ga.

I have information that he played six pictures of Warner Bros., six of First National, six of Paramount, three of Universal, one of Metro-Goldwyn-Mayer and one of United Artists at Bowdon, Ga. without permission.

Have secured an affidavit from the operator who formerly worked for Mr. Griffin that the pictures were played in Bowdon, also an affidavit from the President of the Community Club in Bowdon and one from the Janitor who had charge of cleaning the school auditorium.

If you think I have enough information to proceed with the claim, would thank you to wire me on receipt of this letter, as I am arranging a meeting of the Arbitration Board for Tuesday, January 17th, and will have to send him the notice of arbitration on January 10th. Would also thank you to advise me the amount I should ask the Arbitration Board to allow on behalf of each company.

Yours very truly, —— ——, Executive Secretary.

[fols. 2232 & 2233] Exhibit #56

Western Union

Received at the Journal Bldg., 7 N. Forsyth St., Atlanta, Jan. 10, 1928.

1928 Jan 9 PM 607.

NB 707 29 DH Blue New York NY 9

E L Cole, Atlanta Film Board of Trade, 215 One O One Building, Atlanta, Ga.:

Upon facts stated your letter January Sixth recommend each company proceed with claim demanding minimum damages provided in copyright act for each infringement using form of complaint for subrenting.

Gabriel L. Hess.

Telephone No. WA 4310. Telephone to Mr. Cole. Time Delivered 70 3 P. By BB To be DL AM.

Duplicate of Telephoned Telegram.

[fol. 2234] Exhibit #71

February 16, 1928.

Mr. Gabriel L. Hess, General Attorney, Film Board of Trade, 469 Fifth Avenue, New York City.

Dear Mr. Hess: Referring to the bicycling cases against F. L. Griffin, of the Strand Theatre, Carrollton, Ga., previously reported to you.

These cases were heard by the Arbitration Board at these meeting on Tuesday, and awards made in favor of Paramount, Metro, United Artists, Universal, Warner Bros. and First National in the amounts of $250.00 for each company, making a total of $1500.00.

Yours very truly, —— ——, Executive Secretary.

[fols. 2235 & 2236] Exhibit #72

Western Union

Received at the Journal Bldg., 7 N. Forsyth St., Atlanta, 1928 Feb. 21, A. M. 10:51.

NA 142 47 Blue- FE New York NY 18 1123A.

E. L. Cole, Atlanta Film Board of Trade, 215- # 101 Marietta Building, Atlanta, Ga.:

Just received long telegram from Griffin in Carrollton Georgia concerning Arbitration Board fine stop Please note following telegram sent to Griffin quote Mister Dickinson from this office will be in Atlanta during week February twentieth and will then take up matter contained your wire of seventeenth unquote Regards.

C. C. Pettijohn.

[fols. 2237 & 2238] Exhibit #73

Western Union

Received at the Journal Bldg., 7 N. Forsyth St., Atlanta, 1928 Feb. 21, A. M. 10:51.

NA 109 60 Blue- FE New York NY 21 1050A.

E. L. Cole, Atlanta Film Board of Trade, 215- # 101 Mairetta Bldg., Atlanta, Ga.

We think it advisable to give Griffin of Carrollton, Georgia, change to be present at hearing of his case stop Arrange to have him in Atlanta for meeting twenty third or twenty fourth stop He should not decline this invitation as we are granting him utmost consideration in reopening the case stop Will arrive on Crescent Limited Wednesday night Regards—

A. S. Dickinson.

[fols. 2239 & 2240] Exhibit #76

Copyright Protection Bureau, Representing National and Regional Distributors of Motion Pictures in the United States, 469 Fifth Avenue, New York City.

Mar. 3, 1928.

March 1,1928.

Mr. E. L. Cole, Secy., Atlanta Film Board of Trade, Atlanta, Ga.

Dear Mr. Cole: Upon Mr. Dickinson's return to New York he took up with me the matter of the awards against F. L. Griffin, Strand Theatre, Carrollton, Ga., and on the statement of the facts made by him, I recommend that payment of $1000. be accepted in full settlement of the awards, said sum to be paid as follows: One-third in cash, one-third

in ninety days, one-third in 210 days, the latter two payments to be covered by notes.

The foregoing settlement is to be made upon condition that the cash payment is made and the notes delivered to you on or before March 7th, 1928.

Please communicate the foregoing to Mr. Griffin, and keep me advised.

Sincerely yours, Gabriel L. Hess, Gabriel L. Hess, General Attorney.

[fol. 2241] Exhibit No. 78

Copyright Protection Bureau, Representing National and Regional Distributors of Motion Pictures in the United States, 469 Fifth Avenue, New York City

Mar 9-1928

March 7th, 1928.

Mr. E. L. Cole, Secretary Atlanta Film Board of Trade, Atlanta, Georgia.

DEAR MR. COLE: In reviewing the bicycling case against F. L. Griffin, Strand Theatre, Carrollton, Georgia and the recent settlement with the exhibitor, I wish to commend you for your efforts in securing the various affidavits and other evidence in the above case.

Sincerely yours, Gabriel L. Hess, Gabriel L. Hess, General Attorney.

D:P

[fol. 2242] Exhibit No. 79

March 8, 1928.

Mr. Gabriel L. Hess, General Attorney, Film Board of Trade, 469 Fifth Avenue, New York City.

DEAR MR. HESS: Referring to yours of the 1st relative to the awards made against F. L. Griffin of the Strand Theatre, Carrollton, Ga., and your agreement to reduce the amount by $500.00.

I communicated this information to Mr. Griffin, and told him it was subject to his paying one-third cash and the

balance in notes not later than March 7th. On the 5th we called me by telephone and stated that he was very busy with some big pictures that he was playing and due to the extra advertising, etc., asked that I permit him to come to Atlanta on next Monday, March 12th, and make this settlement. He stated that if I insisted upon it he would come on the 7th, but would much prefer to wait until March 12th.

Inasmuch as I did not want to be hard on him, I agreed that he would do this, and believe that it will meet with your approval. If he does not make settlement as agreed, I will advise you.

Yours very truly, —— ——, Executive Secretary.

[fol. 2243] Exhibit No. 80

March 13, 1928.

Mr. Gabriel L. Hess, General Attorney, Film Board of Trade, 469 Fifth Avnue, New York City.

Dear Mr. Hess: In accordance with Mr. Dickinson's recommendation that the awards against Mr. F. L. Griffin, Strand Theatre, Carrollton, Ga. be reduced from $1500.00 to $1,000., and your letter if March 1st, I have made settlement with Mr. Griffin.

Enclosed herewith you will find New York Exchange for $333.33, one-third of the award, and two notes, one for $333.33 due in 90 days, and one for $333.34 due in 210 days, all made payable to C. C. Pettijohn, Special Account.

Trusting you will find all this in order.

Yours very truly, —— ——, Executive Secrtary.

[fol. 2244] Exhibit No. 81

Copyright Protection Bureau, Representing National and Regional Distributors of Motion Pictures in the United States

469 Fifth Avenue, New York City

Mar. 17 1928

March 15th, 1928.

Mr. E. L. Cole, Exec. Secy., Atlanta Film Board of Trade, 215-One-O-One Building, Atlanta, Ga.

DEAR MR. COLE:

This is to acknowledge receipt of your letter of March 13th, 1928 enclosing check to the order of C. C. Pettijohn, Special Account, in the sum of $333.33 together with two notes—one for $333.33 due in ninety days and one for $333.34 due in two hundred and ten days.

We accept the above sums in full settlement of the claim against F. L. Griffin, Strand Theatre, Carrollton, Ga.

Sincerely yours, Gabriel L. Hess, Gabriel L. Hess, General Attorney.

P.

[fol. 2245] Western Union

August 16, 1928, noted incoming.

Collect.

August 15, 1928.

Mr. F. L. Griffin, Strand Theatre, Carrollton, Georgia:

Have no jurisdiction in this matter but am recommending to Copyright Protection Bureau for thirty or sixty days extension Regards

A. S. Dickinson.

[fol. 2246] Copyright Protection Bureau

Levin.
Note extension of time,

August 24, 1928.

Mr. F. L. Griffin, Carrollton, Georgia.

Dear Sir: Upon the recommendation of Mr. A. S. Dickinson, we will extend your note next due on October 7, 1928 to December 7, 1928.

Please acknowledge the receipt of this letter.

Very truly yours, Gabriel L. Hess, General Attorney.

31:18.

Miss White:

Note dated Oct. 7 to be put thru for collection December 7.

Correct present notice and F. N. Thereafter file active folder Atlanta.

[fol. 2247] Copy

Western Union

Carrollton, Georgia, November 10, 1928.

Ansd. by letter 11/28/28.

G. L. Hess.

A. S. Dickinson, 469 Fifth Avenue, New York City:

Will you let me pay half on note against me now and balance February 15th meet it promptly then will be great accommodation to me appreciate what you have done already.

F. L. Griffin.

The quickest, surest and safest way to send money is by telegraph or cable.

[fol. 2248] Atlanta Film Board of Trade, 215 One-O-One Building

Local and Long Distance Telephone: Walnut 4310
Office of the Secretary

Atlanta, Ga., November 27, 1928.

Mr. Gabriel L. Hess, General Attorney, Film Boards of Trade, 469 Fifth Avenue, New York City.

DEAR MR. HESS: Mr. F. L. Griffin of the Strand Theatre, Carrollton, Ga. was in to see me today, and informed me that he got you to extend his note which matured on October 7th to December 7th.

He states that business has been very bad with him, and wanted me to recommend to you that you extend his note still further and allow him to pay $100.00 now, $100.00 on January 7th, and the balance of $133.34 on February 7th. He has paid me this $100.00, New York Exchange for which I am enclosing herewith.

I told him that I could not promise him that you would make this extention, but did promise that I would recommend such an extension to you. I know that the small theatre owner has been pretty hard hit this year, and feel that if you can consistently do so, it would help him a great deal to extend his note for him, and I am sure that he will make the payments as agreed without asking for any further extension.

Please let me hear from you as to whether this is satisfactory, so that I can communicate the information to Mr. Griffin. If it is not satisfactory, please send the note to me for collection, as Mr. Griffin does not wish this collection to be made through his bank.

Yours very truly, —— ——, Executive Secretary.

[fol. 2249] Copyright Protection Bureau

#268

F. N. Dec. 5.

November 28, 1928.

Mr. F. L. Griffin, Strand Theatre, Carrollton, Ga.

DEAR MR. GRIFFIN: Mr. A. S. Dickinson has referred to us your telegram to him of November 10, 1928 in which you ask

permission to pay one-half of your note at this time and the balance on February 15th as an accommodation to you.

Upon Mr. Dickinson's recommendation we agreed to extend payment of one-half of the amount of your note to February 15, 1929, upon condition that the remaining half now due is immediately paid by you. Please immediately upon receipt of this letter send us a check for one-half of the note now due, and a new note for the remaining half due February 15, 1929, upon receipt of which we will return to you the note we now hold.

Sincerely yours, Gabriel L. Hess, General Attorney.

F. N.
19:31.

[fol. 2250] Atlanta Film Board of Trade, 215 One-O-One Building

Local and Long Distance Telephone Walnut: 4310

Office of the Secretary

Atlanta, Ga., April 9, 1928.

Mr. Gabriel L. Hess, General Attorney Film Boards of Trade, 469 Fifth Avenue, New York City.

Dear Mr. Hess: The theatre at Pahokee, Fla. has been on our list of uncomplied awards for some time. It now develops that the man who is running the theatre at Canal Point, Fla. is either bicycling pictures into the house at Pahokee or is sub-renting them to the owner of the Pahokee house. Salesmen have reported to me that they know that this is being done.

My experience, however, has been that on bicycling cases it is impossible to get the salesmen to secure affidavits, names of pictures played, date played, etc., for the reason that they do not want to prejudice their chances of doing business with such exhibitors in the future. On the bicycling cases that have been handled by this Board I have personally handled the matter, securing the necessary affidavits, etc., and for your information, on every bicycling claim which has been presented to the Board of Arbitration I have secured an award against the exhibitor.

I took the Pahokee matter up with the members of the Board today, and they think it advisable for me to ask you for authority to go down to Florida and secure the necessary data upon which to present the matter to the Board of Arbitration. Of course, if this matter is to be investigated and handled it should be done as promptly as possible. The Jacksonville Manager of F. B. O. is in Atlanta today, and he has suggested that he is going to make an automobile trip through Florida during the week of April 16th, and that if I would come down to Jacksonville on Tuesday Night, April 17th, he would take me down to Pahokee in his car. He did not say whether he would do this without any charge, but I am sure that he would not expect anything more than possibly sharing the expense of gas and oil with him. I don't imagine that the whole trip including railroad fare and pullman to and from Jacksonville, hotel bills, and other expenses mentioned above, would amount to more than $50.00 or $60.00, certainly not more than $75.00.

[fol. 2251] Atlanta Film Board of Trade, 215 One-O-One Building

G. L. H., Office of the Secretary

Local and Long Distance Telephone Walnut: 4310

Atlanta, Ga.

During the week mentioned we will have no meeting of Film Board of Arbitration Board, and of course, *and of course,* the meeting of the Credit Committee and sending out Credit Information Lists could be attended to before I leave. Mr. Ezell, our President, would look after any important matters that might come up in my absence.

If you think it advisable for me to make this trip, and will authorize the expense of same, would appreciate your advising me by return mail.

Yours very truly, E. L. Cole, Executive Secretary.

[fol. 2252] Exhibit #83

Copyright Protection Bureau, Representing National and Regional Distribution of Motion Pictures in the United States, 469 Fifth Avenue, New York City

Apr. 13, 1928.

April 11, 1928.

Mr. E. L. Cole, Exec. Secy. Atlanta Film Board of Trade, Atlanta, Georgia.

DEAR MR. COLE: You are hereby authorized to make the trip to investigate the Pahokee, Florida, bicycling situation mentioned in your letter of April 9th, 1928 and to expend for such investigation not to exceed the sum of $50.00.

Sincerely yours, Gabriel L. Hess, Gabriel L. Hess, General Attorney.

31:26.

[fol. 2253] Exhibit #107

August 31, 1928.

Mr. Gabriel L. Hess, General Attorney, Film Board of Trade, 469 Fifth Avenue, New York City.

DEAR MR. HESS: I have an affidavit from a representative of Metro-Goldwyn-Mayer that he personally witnessed the bicycling of two of their pictures and one picture belonging to A. C. Browberg Attractions between houses owned by E. D. Studstill of the Royal Theatre, Andalusia, Ala., which situations I have investigated and find were contracted for only one house.

With this information, do you recommend that I proceed with this claim before the Arbitration Board. Will send out my notices for the September meeting on next Tuesday, September 4th, and if you approve of handling this claim with the evidence I have, would thank you to wire me some time Tuesday.

With kindest regards,

Yours very truly, —— ——, Executive Secretary.

[fol. 2254] Exhibit #111

1928, Sep. 5, A.M. 11:29.

NE27 18 DL FE New York NY 5 1137A.

E. L. Cole, Atlanta Film Board of Trade, 215 One O One Bldg., Atlanta, Ga.:

Your letter August thirty-first approve you proceeding before Board in case against Studstill with evidence you have.

Gabriel L. Hess.

[fol. 2255] Exhibit #114

September 18, 1928.

Mr. Gabriel L. Hess, General Atorney, Film Board of Trade, 469 Fifth Avenue, New York City:

Dear Mr. Hess: Referring to my letter to you regarding bicycling claim against Z. D. Studstill of the Royal Theatre, Andalusia, Ala., and your wire authorizing me to proceed with the claim.

This claim was presented to the Arbitration Board at their meeting on September 11th, and award made in favor of Metro, for $500.00 and in favor of Bromberg Attractions for $250.00, making a total award of $750.00.

Mr. Studstill appeared before the Board and when informed of the awards made, appeared to be rather stunned. He indicated to me that he wanted to pay $100.00 cash and the balance monthly. I informed him that I did not believe you would be willing to accept monthly payments. He stated that he would go back to Andalusia and figure out what he could do and would then submit his proposition to me.

The enclosed letter and check was received from him during my absence in Florida. You will note from the letter that he has sent a check for $25.00 and wants to make payments of $25.00 per week. I am not sure whether you are willing to accept settlement in this manner. However, I have endorsed the check and if you care to accept this kind of settlement, kindly advise me, with the return of his letter, and also advise if you want me to have notes executed

for these weekly payments. If you will not accept the settlement as offered, kindly return the check and tell me just how you want payment to be made and I will communicate with him further.

Yours very truly, —— ——, Executive Secretary.

[fol. 2256] Exhibit #116

Copyright Protection Bureau, Representing National and Regional Distributors of Motion Pictures in the United States, 469 Fifth Avenue, New York City

Sep. 29, 1928.

September 27, 1928.

Mr. E. L. Cole, Secretary, Atlanta Film Board of Trade, Atlanta, Ga.

Dear Mr. Cole: This is in reply to your letter of September 18, 1928 concerning the bicycling claim against Z. D. Studstill of the Royal Theatre, Andalusia, Ala.

We are inclined to accept Mr. Studstill's offer to pay the total of the awards against him in favor of Metro and Bromberg attractions respectively, upon condition that he make payments of $100. monthly, instead of weekly payments of $25. If Mr. Studstill is willing to meet this condition, please have him deliver to you one check for $25. payable October 1st, 1928, and seven checks each for $100. dated November 1, 1928, December 1, 1928, January 1, 1929, February 1, 1929, March 1, 1929, April 1, 1929, and May 1, 1929, respectively, all drawn to the order of the Copyright Protection Bureau.

We will hold Mr. Studstill's check dated September 13, 1928 drawn to your order as Secretary, for $25.00, until you advise whether or not Mr. Studstill agrees to the condition above stated.

In the last paragraph of Mr. Studstill's letter of September 13th, he states "this award is made to the distributors and I understood they had nothing to do with it or that the money was not for them. Advise me if I should continue to make checks to you, or them."

In this connection please advise Mr. Studstill that the awards are in favor of the distributors, that the collection thereof has been delegated to the Copyright Protec-

tion Bureau and for such reason checks should be made to the order of the Bureau.

Sincerely yours, Gabriel L. Hess, Gabriel L. Hess, General Attorney.

[fol. 2257] Exhibit #122

Oct. 16, 1928.

Mr. Gabriel L. Hess, General Attorney Film Board of Trade, 469 Fifth Avenue, New York, N. Y.

Dear Mr. Hess: Referring to the settlement of the bicycling claim against Z. D. Studstill, of the Royal Theatre, Andalusia, Ala.

Promptly on receipt of your letter of the 27th ult. I communicated with Mr. Studstill, but only received the checks from him today. He claimed that he had been sick and unable to attend to business.

I am enclosing his checks made out to the Copyright Protection Bureau dated as requested in your letter, namely:

One check for $25.00 dated October 1st, 1928.
One check for $100.00 dated November 1st, 1928.
One check for $100.00 dated December 1st, 1928.
One check for $100.00 dated January 1st, 1929.
One check for $100.00 dated February 1st, 1929.
One check for $100.00 dated March 1st, 1929.
One check for $100.00 dated April 1st, 1929.
One check for $100.00 dated May 1st, 1929.

These checks together with the check for $25.00 already sent you makes a total of $750.00, or the amount of the award.

Yours very truly, —— ——, Executive Secretary.

[fols. 2258] Exhibit #124

Copyright Protective Bureau, Representing National and Regional Distributors of Motion Pictures in the United States, 469 Fifth Avenue, New York City

(Stamped: Oct. 20, 1928.)

October 18, 1928.

Mr. E. L. Cole, Secretary, Atlanta Film Board of Trade, Atlanta, Ga.

Dear Mr. Cole: This is to acknowledge the receipt of your letter of October 16, 1928 in which you enclose the fol-

lowing checks payable to the order of the Copyright Protection Bureau in settlement of the bicycling claim against Z. D. Studstill, Royal Theatre, Andalusia, Ala., together with the check for $25.00 which we are holding here, a total of $750.00, constitute the settlement in full:

$25.00 dated October 1st, 1928.
100.00 " November 1st, 1928.
100.00 " December 1st, 1928.
100.00 " January 1st, 1929.
100.00 " February 1st, 1929.
100.00 " March 1st, 1929.
100.00 " April 1st, 1929.
100.00 " May 1st, 1929.

Sincerely yours, (Sgd.) Gabriel L. Hess Gabriel L. Hess, General Attorney.

31:18

[fol. 2259] Atlanta Film Board of Trade, 215 One-O-One Building, Atlanta, Ga.

Office of the Secretary

Local and Long Distance Telephone: Walnut 4310

Mr. Gabriel L. Hess, General Attorney, Film Boards of Trade, 469 Fifth Avenue, New York City.

Dear Mr. Hess: You will recall that Mr. Z. D. Studstill of the Royal Theatre, Andalusia, Ala., made settlement of the claim against him in post dated checks, and I am enclosing herewith a letter just received from Studstill.

I know that conditions have been pretty bad, and if you can see your way clear to help him out, I know that it will be appreciated by him. Please advise just how you want this matter handled.

Yours very truly, —— ——, E. L. Cole, Executive Secretary.

[fol. 2260] The Studstill Theatres, Z. D. Studstill, Owner and Manager

"Photo Play Houses of Quality"

Royal—Paramount. Jan. 14, 1929.

Andalusia, Alabama, Jany. 10th, 1929.

Mr. E. L. Cole, Secty., Atlanta, Georgia.

DEAR SIR: Owing to conditions that have arisen from an epidemic of the flue, Business has just simply gone to the bad, and put me in really an embarrassing position financially, And I want to get you hold up depositing checks on Feby. 1st and March 1st, In order to help me to try to get over this depression, I feel that if you will explain to your New York office the condition of the situation in the South, that they will assist in this matter, Kindly use your efforts for me, and same will certainly be appreciated.

Kindly handle and advise me results.

Yours very truly, Z. D. Studstill.

[fol. 2261] Jan. 21, 1929.

Mr. E. L. Cole, Atlanta Film Bd. of Tr., 215 101 Bldg., Atlanta, Ga.

Re Royal Theatre, Andalusia, Ala.

DEAR MR. COLE: With reference to your letter dated Jan. 14th, to which was attached copy of a letter signed by Mr. Z. D. Studstill of the above mentioned theatre, please be advised that Mr. Hess has approved the request of the exhibitor and in accordance with such request we are withholding from deposit two checks due February 1st & March 1st.

Accordingly the next deposit of the checks submitted by Mr. Studstill will not take place before April 1st. Please therefore advise the exhibitor that on April 1st, there will be deposited for collection three checks dated February 1st, March 1st and April 1st, 1929 in the amount of $100 each.

So that our records may be properly noted, we would appreciate your advising whether this meets with the suggestion of the exhibitor.

Sincerely yours, J. H. Levin.

26: W.

[fol. 2262] Charlotte Film Board

[fol. 2263] 36

Aug. 8, 1928.

Mr. Gabriel L. Hess, 469 Fifth Ave., New York, N. Y.

Dear Mr. Hess: I am outlining below a claim heard by the Board of Arbitration at their meeting held Aug. 7, 1928.

Dr. O. E. Underwood, Jewel Theatre, Roseboro, N. C. entered a claim with this Board against the Pathe Film Exchange for a mis-out on the picture entitled "The Man Nobody Knows" in the amount of $1,000.00.

This claim was presented by the Exhibitor as follows:

On Feb. 10th., the exhibitor went to the Pathe Office in Charlotte and signed a contract for this picture for his use Feb. 15th., and suggested that he take the picture with him, but he was assured that there would be no delay in the picture being shipped. So Dr. Underwood taking their word went back to Roseboro, N. C., and began extensive advertising of this picture by sending out 3,000 letters, also having an auto with canvas signs driven all over the country.

The extensive advertising for the purpose of overcoming a prejudice against pictures in his town and vicinity. At this time the church was holding meetings and teaching the Life of Christ, and the Underwood Motor Co., of which Dr. Underwood is part owner thinking this would be a good time to co-operate with the church and gain the confidence of the people offered to give this picture and pay 10c per head for all attending same which received the approval of all of the church workers and school authorities to the extent that the picture was announced from every church Pulpit with a recommendation to the people that they go to see the picture which would illustrate the teachings of The Life of Christ. It was also announced in all of the school, and all schools agreed to close for the afternoon and the students go in body to attend the showing of this picture.

The picture not arriving on the 1:00 PM train, which was the last train on which it could arrive, Dr. Underwood called the Pathe Office, thinking that possibly it had been

shipped and was held up in Fayetteville and he could drive over for it, but the only reply he received from the Pathe [fol. 2264] Office was that they had decided not to ship the picture.

Dr. Underwood claims that he was at a loss to know just what to do, as he had advertised so extensively, all church people in the surrounding territory, all the young folks from all schools were there in a body as school had been closed for the afternoon, and no picture to show. They finally were able to get a picture entitled "Crystal Cup," which as you know is an entirely different type of picture, and the people left in disgust and instead of overcoming the existing prejudice it created a very bitter feeling among the people, and as a consequence many of the older folks refuse to let their children attend the show any more. Dr. Underwood claims and produced statements to the effect that his Bank deposits from Jan. 15th., to Feb. 15th., were $791.51 and after this disappointment the deposits from Feb. 15th., to March 15th., were reduced to $396.76 which he attributes to the mis-out on "The Man Nobody Knows."

The Representative for the Distributor when asked what he had to say in defense, merely made the statement that the Exhibitor had no approval contract and the case should be thrown out.

The questions asked by the Arbitrators brought out the acknowledgment that the Exhibitor did sign an application in the Pathe Office, and according to the statement made by this representative their Home Office rejected the contract. This rejection being received in time to notify the exhibitor, however, no notice was given to the exhibitor.

This Exhibitor produced a letter he had from the Pathe Film Exchange stating that they were sorry that they had missed him out and offered him this picture gratis as an adjustment which in the minds of the Arbitrators was an acknowledgment of the booking. The exhibitor also produced signed affidavits from all of the ministers, school teachers, Church Workers, and Supt., of Schools to the effect that they had announced the coming of this picture and advised all to see same, and their disappointment in the picture that was shown. He also had pictures showing the crowd in front of the theatre, which would no doubt be more than 2,000 people.

When the Representative for the Distributor was asked if he could produce the rejected contract he claimed that it [fol. 2265] had been destroyed and they had no record in their Office. It seams strange that records of this kind would be destroyed so quickly.

The members of the Board of Arbitration feeling that a mistake of this kind in a small town especially where such prejudice existed could do an exhibitor no end of harm for a long time to come, altho' he did not hold an approved copy of the contract gave the following award.

"The Distributor is to pay the Exhibitor the sum of $280.00 within seven days from date of this award, and is to return the picture to the exhibitor gratis. Gratis booking calculated to overcome any loss of good will. Above amount arrived at as follows:"

$30.00	Advertising by letter.
25.00	Misc. Advertising by Auto.
25.00	Operating Expense.
200.00	Estimated 10¢ per head 2,000 people.
280.00	

I did not mention the fact that after the Crystal Cup was shown the Underwood Motor Co., did not pay the 10¢ per head as they had promised for the showing of "The Man Nobody Knows," therefore, substitute picture was given to the people gratis.

This for your information.

Very truly yours, —— ——, Secretary.

[fol. 2266] 37

Film Boards of Trade

469 Fifth Avenue, New York

Charles C. Pettijohn, General Counsel; Gabriel L. Hess, General Attorney

August 9, 1928.

Mrs. Marian G. Wrenn, Secy. Charlotte Film Board of Trade, Charlotte, N. C.

DEAR MRS. WRENN: For your information enclosed you will find a copy of my letter of even date to Mr. Charles M.

Beilan, Branch Booker of Pathe Exchange, Inc., in Charlotte, N. C. in reply to his letter to me of August 7th concerning an award made by the Charlotte Board of Arbitration against Pathe, in favor of an exhibitor operating a theatre in Roseboro, N. C.

Sincerely yours, Gabriel L. Hess, Gabriel L. Hess, General Attorney.

ENCL.

[fol. 2267] 38

August 9, 1928.

Mr. Charles M. Beilan, Branch Booker, Pathe Exchange, Inc., 221 West Fourth Street, Charlotte, N. C.

Re Roseboro, N. C.

Dear Mr. Beilan: Upon the facts stated in your letter of August 7, 1928 it seems to me that the sum of $280 awarded as damages for a miss-out of a $5 picture to an exhibitor operating a theatre in a town having a population of 700 people is wholly excessive, and I too am at a loss to understand how the Board of Arbitration could have fixed such an amount.

A fair measure of damages in cases of this kind is the loss of the exhibitor's net profits caused by the miss-out, which profits can be ascertained by calculating the average daily profits of the exhibitor for a period of thirty operating days immediately prior to the date of the miss-out; or another fair measure of damages would be the loss of the exhibitor's gross receipts less the film rental contracted to be paid for the picture not delivered; the gross receipts to be ascertained by taking the average daily gross receipts for a period of thirty operating days immediately prior to the date of the miss-out.

While the exhibitor in the instant case had no right to assert his claim before the Board of Arbitration because of the absence of a contract with Pathe—his application not having been accepted,—Pathe's appearance before the Board of Arbitration and its contest of his claim would be construed as a waiver of Pathe's right to contend that a contract not having been made the Board of Arbitration was without jurisdiction to hear the claim.

If Pathe had made a special appearance before the Board of Arbitration, simply to contest its jurisdiction on the ground that no contract between the exhibitor and Pathe existed, and had then withdrawn, the award if any had been made, would have been without effect.

Yours very truly, Gabriel L. Hess, General Attorney.

19:31.

Copy to Mrs. Wrenn.

[fol. 2268] 39

Film Boards of Trade

469 Fifth Avenue, New York

Charles C. Pettijohn, General Counsel; Gabriel L. Hess, General Attorney

August 10, 1928.

Mrs. Marian G. Wrenn, Secy. Charlotte Film Board of Trade, Charlotte, N. C.

Dear Mrs. Wrenn: This is to acknowledge the receipt of your letter of August 8, 1928 concerning the controversy between O. E. Underwood, Jewel Theatre, Roseboro, N. C. and Pathe Exchange, Inc.

The statement of facts as set forth in your letter of course alters the situation, and I have written to Mr. Beilan, Pathe's Branch Booker in Charlotte, a copy of my letter being enclosed herewith.

Yours sincerely, Gabriel L. Hess, Gabriel L. Hess, General Attorney.

Encl.

[fol. 2269] 40

August 10, 1928.

Mr. Charles M. Beilan, Branch Booker, Pathe Exchange, Inc., 221 West Fourth Street, Charlotte, N. C.

Dear Mr. Beilan: I received today from the Secretary of the Charlotte Film Board of Trade a statement of the facts

of the controversy between O. E. Underwood, Jewel Theatre, Roseboro, N. C. and Pathe, concerning which I wrote you yesterday.

Upon the facts stated by Mrs. Wrenn I am of the opinion that the award made by the Board of Arbitration was not excessive.

Yours very truly, Gabriel L. Hess, General Attorney.

19:31.

Copy to Mrs. Wrenn.

[fol. 2270] 41

Aug. 15, 1928.

Mr. Gabriel L. Hess, 469 Fifth Ave., New York, N. Y.

Dear Mr. Hess: With further reference to the controversy between Dr. O. E. Underwood, Jewel Theatre, Roseboro, N. C., and the Pathe Film Exchange.

I am in receipt of a petition from the Pathe Film Exchange addressed to the Joint Board of Arbitration dated Aug. 13, 1928 as follows requesting a re-opening of this claim:

"The contention being that the case of the Jewel Theatre, Roseboro, N. C., against Pathe Exchange, Inc., not being properly presented before your body and that an error was made in rendering a decision, it is requested that this case be re-opened.

Our contention that the case was not properly presented is based on the fact that no contract was offered in evidence by the complainant in this hearing, and according to the rules governing arbitration, this would have to be done before a case could be constituted.

Awaiting your advice concerning this, we are,"

(Signed) E. L. McShane, Mgr.

This Distributor was properly notified and had a Representative present at the time of hearing to defend the Distributor.

You are aware of the fact that we have two entirely separate Boards, one for members of the Exhibitors Asso., and one for non-members of the Exhibitors Asso., one meeting for each a month. Therefore, it will be Sept. 3rd, before

this petition can be presented to the Board, and if in the opinion of the Board they warrant setting aside the award, a new submittion to arbitration of controversy could not be heard until October 1st, 1928.

[fol. 2271] According to the Rules and Regulations Relating to Arbitration the Distributor Members of the Arbitration Board change each month, therefore, entirely new Distributor Arbitrators from those sitting on the original case and familiar with details would be present to consider the re-opening, and still another group would be present for the re-hearing in October.

It is my understanding according to your letter of Oct. 27, 1927 that an award rendered by the Board of Arbitration is final.

Of course, since reading the 4th paragraph of your letter to the Pathe Film Exchange dated Aug. 9th, it might be construed that the claim was not properly presented.

In this case can this request for re-hearing be honored, and is the Distributor relieved of the responsibility of complying with the award until the matter is entirely settled?

Awaiting your advice.

Very trulys yours, —— ——, Secretary.

[fol. 2272] 42

Western Union

Form 1206 A. No.—. Cash or Chg. Pay & chg. Check. Time filed 12:00 Noon.

Newcomb Carlton, President. George W. E. Atkins, First Vice-President

Send the following message, subject to the terms on back hereof, which are hereby agreed to——

Charoltte, N. C., Aug. 17, 1928.

Mr. Gabriel L. Hess, 469 Fifth Ave., New York, N. Y.

Pathe not complied with award stop Exhibitor calling for compliance Can distributor hold up complying for rehearing claim Roseboro, N. C.

Charlotte Film Board of Trade.

Pay & chg.

[fol. 2273] 43

Patrons are requested to favor the company by criticism and suggestion concerning its service.

Western Union

1201 S. Signs: DL—Day Letter. NM—Night Message. NL—Night Letter. LCO—Deferred Cable. NLT—Cable Letter. WLT—Week-End Letter.

Newcomb Carlton, President. J. C. Willever, First Vice-President

The filing time as shown in the date line on full-rate telegrams and day letters, and the time of receipt at destination as shown on all messages, is standard time.

Received at Wilder Building, 241 S. Tryon St., Charlotte, N. Car. Always open.

NB341 34 DL-FE New York, N. Y. 17 315P.

1928, Aug. 17, P. M., 3:46.

Marian Wrenn, Charlotte Film Board of Trade, 300 West Third St., Charlotte, N. Car.:

Distributor may not refuse to comply with award pending application for rehearing stop Reason set forth in petition for rehearing of controversy between Underwood and Pathe insufficient to warrant Board arbitration setting aside award——

Gabriel L .Hess.

The quickest, surest and safest way to send money is by telegraph or cable.

[fol. 2274] 44

Film Boards of Trade, 469 Fifth Avenue, New York

Charles C. Pettijohn, General Counsel. Gabriel L. Hess, General Attorney

August 21, 1928.

Mrs. Marian G. Wrenn, Secretary Charlotte Film Board of Trade, Charlotte, N. C.

Dear Mrs. Wrenn: Confirming my telegram to you of August 17, 1928, concerning controversy between Pathe

Exchange, Inc., and O. E. Underwood, Jewel Theatre, Roseboro, N. C., this is to advise you that once an award is made by the Board of Arbitration it is final and must be complied with unless it is set aside for reasons stated in the recommendations to arbitrators appointed under the Rules and Regulations Relating to Arbitration based upon the suggestions of the American Arbitration Association, copy of which you have.

Pending an application for a rehearing for any of the reasons set forth in the above-mentioned recommendations the distributor may not delay complying with the award until such application is disposed of. Such application should be made to the Board of Arbitration within the time given to the distributor to comply with the award. If necessary a special meeting of the Board of Arbitration should be called to hear and dispose of such application.

Sincerely yours, Gabriel L. Hess, Gabriel L. Hess, General Attorney.

31:18.

[fol. 2275] Chicago Film Board

[fol. 2276] Copy

84

Film Boards of Trade, 469 Fifth Avenue, New York

June 11, 1927.

Subject: ——.

To all secretaries of all film boards of trade:

Please disregard the form of Bicycling Award sent you on June 9th, 1927 because of the error in omitting the phrase "member of the —— (insert name)" in paragraph 2, at the end of line 3 thereof, after the word "each," and use the enclosed form instead,

Sincerely yours, (Signed) Gabriel L. Hess, General Attorney.

76—83

[fol. 2277] 85

Corrected Copy

June 11, 1927.

Form of Award in Bicycling Cases

"That —— ——, the Exhibitor, in violation of the contract between the Exhibitor and the Distributor, dated ——, and in violation of the Copyright Law of the United States knowingly exhibited, or caused to be exhibited (or knowingly permitted or caused to be permitted to be exhibited) the motion picture entitled —— at the —— Theatre, of —— on the — day of ——, 19—, and that by reason thereof we award to ——, the Distributor, the sum of — Dollars ($—) as damages.

"Upon the failure of the exhibitor to fully comply with this award within seven days from the date thereof the sum of $— is hereby fixed as the maximum amount which each member of the —— (insert name) Film Board of Trade (if the exhibitor's theatre is situated in overlapping territory, insert names of all Boards of Trade the members of which serve the exhibitor) having a contract with the exhibitor may demand pursuant to the provisions of the Arbitration Clause contained therein as security for the performance by the Exhibitor of each such contract."

Extract from letter to Mr. Jack Levin, St. Louis Film Board of Trade—4-26-27.

[fol. 2278] Copy

80

Copyright Protection Bureau, 469 Fifth Avenue, New York

Mr. J. D. Abramson, Secy. Chicago Film Board of Trade, Chicago, Ill.

November 17, 1927.

Dear Mr. Abramson: I note from your correspondence with this office in reference to claims against exhibitors for bicycling and switching it is the practice of your members

when submitting their claims for abitration to claim the sum of $5,000. as damages in each case.

Please advise your members to use the form of claim recommended by this office for bicycling and switching cases which form provides for a minimum of $250. and a maximum of $5,000. the damages fixed by the United States Copyright Law, and to discontinue claiming the specific sum of $5,000.

Sincerely yours, (Signed) Gabriel L. Hess, General Attorney.

[fol. 2279] Cleveland Film Board

[fol. 2280] Copy

Vita-Temple Theatre, Toledo, Ohio

August, 31, 1928.

Miss Ruth G. Simon, Cleveland Board of Arbitration, 2100 Payne Ave., Cleveland, Ohio.

Dear Miss Simon: Replying to your letter of August 30th, relative to Fox Film Corp. against the Vita-Temple Theatre wish to reply that we will not comply with terms of the award granted by Esther Goldberg, R. S. Tillinghast and W. S. Halpert Monday afternoon, August 27, 1928, to the Fox Film Corp.

We charge that the persons awarding this verdict did not constitute a competent board of arbitration—we charge that all of the testimony offered in the first hearing was heard by six members and the award was made at the second hearing at which only four members were present—we charge that affidavits demanded by the chairman of the Board of Arbitration from Mr. Bachmeyer (in this instance a sworn statement) were not furnished by the Fox Film Corp. representative—we charge that the exhibitor members of the board were not qualified to render a decision regarding a first-run situation as they were not familiar with the purchase of film by first run exhibitors in larger key cities—we charge that the award is not binding upon us.

We request that this letter be presented to the proper parties so that this case can be heard before a competent board or court under oath.

Very truly yours, Collins Theatre, Inc. (Signed) J. O'Connell, Managing Director.

JSO'C/M.

[fol. 2281] Harry L. Charnes, President and General Manager. Jesse C. Fishman, General Sales Manager The Standard Film Service Company

Cleveland, Ohio, Aug. 28/1928.

Mr. C. C. Pettijohn, New York, N. Y.

DEAR CHARLIE: The enclosed letter just rec'd from Jack O'Connell of Toledo. It is rather long-winded but Jack was very much "excited" yesterday when he was talking with me. The whole story briefly is that he was sold a picture to be directed by Walsh and the stars were to be Janet Gaynor, Farrell & McLaglen. None of which happened—therefore he feels like he was not given a square deal. As you know there is some dissention out here and this affair won't help the situation any. Jack wanted to lay the whole matter before our friend "Pete" but I asked him to be sensible and go at the thing in the right way. His attorney has advised him that he can beat the case in court so all my interest in the matter is yours. If there is any further information you want let me know.

With kindest regards and best wishes.

Sincerely yours, M. C. Howard.

No agreement or order will be binding on this corporation unless in writing and signed by a corporate officer.

[fol. 2282] J. S. O'Connell, Managing Director

Operated by Collins Theatre, Inc.

Vita-Temple Theatre, Toledo, Ohio

Vitaphone Movietone Presentations

Aug. 27th, 1928.

MY DEAR M. C.: Sorry that I had to break off right in the middle of our very interesting conversation but I just had to make that train; however, I will give you the details of the case here, also the result of the trial which will no doubt make you wonder how these so called Boards of Arbitration get by.

Last summer I purchased the two Fox Specials, "Loves of Carmen" and "East Side West Side" and split the balance of the bigger feature pictures, with my competitor Feigly at The Rivoli.

When it came time to decide which pictures I should take Mr. Scott, the Fox Manager stated, he would help us make a selection. First, he said I should get all the Raoule Walsh Pictures as he was the director of Fox's biggest picture "Loves of Carmen", which I was to open the season with. The Walsh Pictures were "Silk Hats" and "The Escape."

At the time we were making the deal I offered to buy from Feigly, "What Price Glory" and "Seventh Heaven" offering him a substantial bonus for the contracts which he signed the previous year.

I mention this incident to bring out the following point. Mr. Scott said "If you cannot buy What Price Glory from Feigly you can at least cash in on the publicity by getting the same stars of Glory and Heaven in "The Escape" namely Janet Gaynor, Farrel and MacLaglen which names were listed on the work sheet from which we were making our selection and which was the only descriptive matter we had regarding the picture they were selling.

They first delivered "Dressed to Kill" in place of "Silk Hats" with another director and different cast and I complained to Ward, their salesman. He induced me to take the substitution, which in my estimation was of equal value to the product sold me. Then they offer "The Escape" with a mediocre cast and another director and is not of equal value to the picture purchased.

[fol. 2283] I immediately complained to Mr. Scott, the Fox Manager at Cleveland, and he replies that I bought a Paul Armstrong play and that is what they delivered.

We then take the case to the Board of Arbitration and the first meeting results in the demand of the Board that Mr. Ward, The Salesman and Mr. Bachmeyer the Division Manager testify as to what statements were made. The Chairman of The Board demanded that if Mr. Bachmeyer could not be present that he furnish a sworn statement.

The second meeting of the Board held today had Mr. Ward present who states that he did not hear any of the statements. (This was the truth on his part as he was not present at the time the statements were made by Scott) and further evidence was submitted by Mr. Scott in the form of a letter from Mr. Bachmeyer who stated that only that which was written on the contract was promised and that he was very much surprised at me, etc. (Isn't that

pretty). But Mr. Bachmeyer's statement was not sworn to, and which should not have been accepted by the board as they demanded a sworn statement and postponed the case purely on that account.

Mr. Scott, in his frenzy to convince the Board made a very illuminating statement which I knew will pull a laugh out of any person who has had any experience in the sale of pictures. He made the direct statement that at no time was any mention made of the Director or of the cast but the he distinctly recalls stressing the fact that "The Escape" was a Paul Armstrong story. Can you imagine any salesman who has recognized stars in his cast not making the most of the fact especially when the stars are hits in a current success. And can you imagine a big first run theatre going over a man's product and picking out a picture solely because Paul Armstrong wrote it (I doubt if 50% of the exhibitors in the country know who the author of "What Price Glory" is.

Today I rushed from the train to the board meeting and not until after we had gotten well under way did I notice that the board was short two members—two members who reviewed the testimony at the first meeting and who were not present to decide on the value of the testimony offered or who did not know that The Fox Film Company failed to deliver the sworn statement of Mr. Bachmeyer as ordered by the Board.

The Ultimate in Cinema Entertainment.

[fol. 2284] Miss Simons, the Secretary of the board stated that it was a hard matter to get members to serve who were not affiliated with the state exhibitors association. I am going to join the state organization immediately so that in the future if any trouble arises I can be represented by exhibitors who know something about how film is bought for first run theatres and who are not Fox Customers.

To sum it all up—I lost the case because the work sheet from which we selected our pictures had a clause which read Casts and directors are subject to change. This however is only the beginning—we are going to take this case to the highest court in the land if it costs us ten times the price of the picture and in the meantime our service will go on as usual.

We have placed this case before some of the best attorneys in this section and we have been advised that our claim is unbeatable regardless of what transpires at an arbitration board meeting. I do not think that any company can deliberately go out and sell one kind of merchandise and deliver another. This evil has become so prevalent in the film industry that it has been found necessary to correct it on the new contract form.

If a company can put anything it pleases on a work sheet to get the exhibitor to buy—a signed contract is worthless because in the case of Fox the contract itself has nothing except the name of the picture. Matters such as this should be given national publicity then perhaps the practices of the sales organizations would be toned down to legitimate standards.

After looking this over I find that I have written considerable but I I have been so riled up that I just had to get it off my chest. We feel that we have not received justice and we are going out to get it and settle once and for all the question whether or not a sales representative is a legal representative of the company for which he is selling and whether that company can publish any statement it cares to without responsibility.

With best wishes, permit me to remain,

J. S. O'Connell.

The Ultimate in Cinema Entertainment.

[fol. 2285] F. B. Cleveland

F. U.

Sept. 15.

Enclosed Correspondence from Mr. M. C. Howard, of the Standard Film Service Company, re Mr. Jack O'Connell

September 4, 1928.

Mrs. G. Moffett, Film Board of Trade, Cleveland, Ohio.

DEAR MRS. MOFFETT: Please read the enclosed and advise me what to reply regarding the facts.

Sincerely yours, C. C. Pettijohn, General Counsel.

P. S.—Please return the attached file when you have finished with it.

[fol. 2286] F. U. 9/26

Cleveland Film Board of Trade, Film Exchange Building, 2100 Payne Avenue, Cleveland, Ohio

Miss Drazin: Please handle this and write Miss Simon. C. C. P.

Wired Moffett & Gah phoned. E. C. Grainger. 9/18. 28. Ted.

Sept. 6, 1928.

Mr. C. C. Pettijohn, General Counsel, Film Boards of Trade, 469 Fifth Avenue, New York City.

DEAR MR. PETTIJOHN: Mrs. Moffett will not be back until Monday, September 10th, and therefore, I will try to answer your letter of September 4, 1928, regarding Mr. J. O'Connell, Vita-Temple Theatre, Toledo, Ohio.

The Fox Film Corporation filed a claim against Mr. O'Connell (Collins Theatre, Inc) operating the Vita-Temple Theatre, for failing to exhibit and pay for The Escape on the dates specified.

On August 20th, this case was presented to the non-member Board of Arbitraton. Mr. O'Connell presented the worksheet from which he states he bought this picture. The worksheet states that the director of this picture would be Raoul Walsh and the stars would be Victor MacLaglen, Janet Gaynor and Charles Farrell; however the worksheet reads "with tentative titles, casts and directors."

Mr. O'Connell claims however, that inasmuch as his theatre is a first-run theatre he buys pictures only because of stars, and when he learned that the stars mentioned on the Fox Worksheet were not appearing in The Escape, he refused to play the picture.

Mr. Scott of the Fox Exchange stated that Mr. O'Connell bought The Escape which was a Paul Armstrong story and they were ready to deliver the picture which was sold to Mr. O'Connell.

Mr. O'Connell's statement is true that at the meeting of August 20th the Board requested that Mr. Backmeyer furnish a sworn statement of how the picture was sold to him. Mr. Backmeyer's letter was not notaried.

This office is having difficulty in obtaining the services of exhibitors who are not members of the M. P. T. O. of

Ohio to serve as arbitrators, and when this case was presented for final hearing on Monday, August 27th, the Board was composed of two distributor arbitrators and two exhibitor arbitrators.

[fol. 2287] At the time of hearing, Mr. O'Connell did not object to the Board sitting two and two.

The vote resulted in three affirmative and one negative.

After the meeting, Mr. O'Connell informed me that he would ask for a re-hearing because the Board sat two and two and because Mr. Backmeyer's letter was not notaried.

Do you believe that the Board should grant a re-hearing, or should the exchanges send out their security letters? Mr. O'Connell told Mrs. Moffett several months ago that if he lost this case he would take it into court.

We are enclosing a copy of a letter which we received from Mr. O'Connell yesterday.

Please instruct us what to do.

Very truly yours, Ruth G. Simon, Secretary to Mrs. Moffett.

Encl.

P. S.—We are returning herewith your file.

[fol. 2288] No. 25

Film Boards of Trade, 469 Fifth Avenue, New York

Charles C. Pettijohn, General Counsel; Gabriel L. Hess, General Attorney

September 21, 1928.

Mrs. G. D. Moffett, Secretary Cleveland Film Board of Trade, Cleveland Ohio.

Dear Mrs. Moffett: With further reference to my telegram to you of September 19, 1928 concerning the award made against J. O'Connell operating the Vita-Temple Theatre, Toledo, Ohio, Mr. E. C. Grainger of Fox Film Corporation advises me that he has come to an understanding with the exhibitor concerning the award against him and has so advised his Cleveland Branch Manager from whom you will undoubtedly receive word that the matter has been adjusted.

Sincerely yours, Gabriel L. Hess, Gabriel L. Hess, General Attorney.

31:18.

[fols. 2289 & 2290] No. 24

Western Union

Newcomb Carlton, President. J. C. Willever, First Vice-President

Send the following message, subject to the terms on back hereof, which are hereby agreed to—

Received at 2110 Payne Ave., Cleveland, Ohio.

1928, Sep. 19, A.M. 11:49.

H78 24 DL-FE New York NY 19 1011 A.

G. D. Moffett, Cleveland Film Board of Trade, 205 Film Exchange Bldg.:

Until further advised recommend that award against O'Connell Vita Temple Toledo be not enforced by demanding security for or suspending service under existing contracts.

Gabriel L. Hess.

[fol. 2291] #8

Film Boards of Trade

Albany, Atlanta, Boston, Buffalo, Butte, Charlotte, Chicago, Cincinnati, Cleveland, Dallas, Denver, Des Moines, Detroit, Indianapolis, Kansas City ,Los Angeles, Memphis, Little Rock, Milwaukee, Minneapolis, New Haven, New Orleans, New York, Oklahoma City, Omaha, Philadelphia, Pittsburgh, Portland, St. Louis, Salt Lake, San Francisco, Seattle, Washington.

469 Fifth Avenue, New York

Charles C. Pettijohn, General Counsel; Gabriel L. Hess, General Attorney

October 15, 1927.

Mr. A. Mertz, Chairman Joint Board of Arbitration, 205 Cleveland Film Exchange Bldg., Cleveland, Ohio.

Dear Mr. Morty: This is in reply to your letter of October 10th, 1927 concerning the claim filed by the United Artists Corporation against E. G. Bockius of the Valentine Theatre, Canton, Ohio.

Upon the facts stated in your letter I am of the opinion that the exhibitor by closing his theatre a few days before the date of availability of the picture "Resurrection" breached his contract with the distributor. The exhibitor had notice of availability as early as April 29th that the picture would be available after June 30th, and the contract clearly provided that the picture was "to be played or paid within 21 days of date of availability."

Yours very truly, Gabriel L. Hess, Gabriel L. Hess, General Attorney.

D.

[fol. 2292] #7

October 10, 1927.

Mr. Gabriel L. Hess, General Attorney Film Boards of Trade, 469 Fifth Avenue, New York City, N. Y.

Dear Mr. Hess: We would like your opinion on a claim which was filed by the United Artists Corporation against one E. G. Bockius of the Valentine Theatre, Canton, Ohio.

On January 21, 1927 Mr. Bockius contracted for the United Artists picture entitled "Resurrection" which contract was duly approved with a clause "to be played or paid within 21 days of date of availability." This picture became available for the above mentioned theatre on June 26th. The Exhibitor was notified of this fact but the theatre closed on or about that date and we do not know whether or not the theatre will again reopen.

The United Artists Corporation sent out availability notice on April 29th advising the exhibitor that the picture was available after June 30th. Not hearing from the exhibitor the United Artists Corporation, after making repeated attempts to secure a date, set dates in accordance with the terms of the contract, namely August 3-4-5-6th.

Some of the members contend that inasmuch as the picture became available after the theatre closed, whether or not we can give to United Artists Corporation a judgment or if the contract is considered null and void.

We would appreciate a reply to this letter before our next regular meeting, which is October 17th.

Very truly yours, The Joint Board of Arbitration.

—— ——, Chairman.

AJM/NS.

[fol. 2293] Dallas Film Board

[fol. 2294] January 31, 1927.

Mr. Gabriel L. Hess, Associate Counsel, Film Boards of Trade, New York, N. Y.

Dear Mr. Hess:

Re Fox vs. Moseley, King Tut, Rising Star & Ideal, Cross Plains, Tex., Claim for Bicycling

In accordance with instructions from the Home Office of Fox to their Dallas office, the above claims for the illegal use of two films were filed by Fox and were referred to arbitration January 13th.

In your letter of December 7th to this Board you suggested wording for the claim based upon infringement of the Federal copyright law. (Your letter of November 16th also makes reference to further procedure in matters of this kind.)

Claim, per copy attached as presented to the exhibitor. The claim is supported by statements and affidavits from citizens who witnessed the showing of these pictures. The exibitor made no defense whatever before the Board. An award was made per attached copy.

Exhibitor was in Dallas today and presents copy of wire sent the day after the second offense to Fox advising the picture was shown due to failure of another program to arrive, etc. We believe, however, there was a very good reason for the exhibitor sending this wire and while it was not presented in the exhibitor's behalf, there was knowledge of the wire and it was mentioned to the arbitrators by the Secretary of the M. P. T. O. I also had knowledge of the wire and advised the Board that we understood it was sent the day after the offense when the exhibitor learned that his opposition (who had the Fox picture under contract for the town) had advised Fox and secured the evidence on which Moseley's claim was supported. For the first offense which occurred in September the exhibitor now claims he had no knowledge of this until the claim was presented but advises his operator bicycled the film to his other theatre in another town. There appears to be no grounds for an appeal.

I informed the exhibitor that it was my opinion, also that of the Film Board and Board of Directors that there was no justification for a rehearing, however, advised him of the next meeting date of the Board of Arbitration. The exhibitor is in default of the award and service will be suspended after February 1st.

[fol. 2295] Someone referred the exhibitor to an attorney and it so happens that he went to L. M. Rice who was formerly employed as local counsel for this Board. Mr. Rice at the present represents several of our members. The exhibitor discussed the matter with Mr. Rice and in a spirit of friendliness Mr. Rice called me by 'phone explaining that he was of the opinion that the Board was in error in making such an award. Mr. Rice, for ethical reasons, will not represent Mr. Moseley and I do not know at this time whether Mr. Moseley has engaged counsel or not.

I have had Mr. Rice prepare an opinion of the case, a copy of which is attached.

The exchanges involved in this case are, so far as I know, standing pat.

Do you see anything in Mr. Rice's opinion to necessitate a change in our position? Mr. Rice agrees that we might turn the case over to the Federal Court and secure a judgment under the copyright law. Do you concur in this?

I am sending this letter airmail in the hope that it will reach New York Wednesday morning. Please wire your opinion.

Respectfully, —— ——, Secretary.

Pardon the disconnected manner in which my letter is written but I am endeavoring to get it off at once. I might add that when the claim was read to the Board of Arbitration, the exhibitor members were reluctant to make an award upon the provisions of an infringement of the U. S. Copyright Law. They appeared to be uncertain about the advisability of making reference to such a law or making an award in keeping with the provisions of this law. After much debate the award was made but no reference was made therein to any infringement of the copyright law.

D.C.D.

[fol. 2296] January 31st, 1927.

In re J. H. Mosley vs. Fox

Mr. Don C. Douglas, Dallas Film Board of Trade, Dallas, Texas.

Dear Sir: In this case the notice of claim by Fox is "an infringement of the copyright" of certain pictures under the United States law. It then asks not for actual damages, but that in lieu thereof the Board fix such damages as shall be just (that is, other than actual) and in assessing same allow an amount provided for by the copyright law.

The award assesses $500.00 "actual and pecuniary damages."

The award seems to me to be actually defective for the following reasons:

The claim presents to the arbitrators two issues—

(a) Whether or not by reason of the unauthorized acts of Mosley the United States copyright law had been infringed.

(b) Whether Fox had been damaged by such act;

(c) The amount of such damages if any be found.

The contract under which the claim arose does not contain a provision fixing the amount of damage. It does not say that the exhibitor will pay such damages as might be incurred by him under the copyright law, and leaves the amount of damage to be fixed by the general law.

The Board could only arbitrate issues of fact and law arising out of the contract or its breach. By virtue of the contract the exhibitor was not bound to pay a minimum of $250.00 for each infringement, but only actual damages as might be suffered by the distributor, reasonably contemplated by the parties at the time of making the contract and at the time of breach.

Only by virtue of the copyright law and not by the contract could $250.00 a picture damage be assessed in this case, since the actual damages were nominal.

For the reason, therefore that the Board acted upon a claim presenting an issue under the copyright law, the award is, in my judgment, invalid. It is invalid for the further reason that having attempted to pass upon an issue

under the copyright law of which the exhibitor had notice, it assesses actual damages, although the claim did not ask therefor, expressly waiving actual damages and profits by its terms.

Very truly yours, LMR:G.

[fol. 2297] Ex. 13A

2b-Dallas.
Obtained Home Office Film Boards-New York City.
(Ill. Init.)
Indexed.

February 2, 1927.

Mr. Don C. Douglas, Secretary, Dallas Film Board of Trade, Dallas, Texas.

Via Air Mail x Rice, L. M. C. C. Pettijohn. Decision-MG

Dear Mr. Douglas: This is in reply to your letter of January 31, 1927 re: the controversy between the Fox Film Corporation and X J. H. Moseley, (operating the X King Tut Theatre at Rising Star, Texas.)

I do not concur in Mr. Rice's opinion for the following reasons:

The contract between the exhibitor and the distributor provides that it is a license under copyright.

Neither the form of the complaint nor of the award is material to the validity of the award.

The unauthorized exhibition of a copyrighted picture is an infringement of the Copyright Law as well as a breach of license under copyright between the parties, and the arbitrators in assessing damages may fix the amount thereof at such sum as they deem reasonable. The fact that the amount of damages fixed by the arbitrators is characterized as "actual and pecuniary" does not affect the validity of the award.

For a copyright infringement actual damage need not be proved. A contract for license under copyright need not specify the amount of damages. The licensee will be liable for an infringement of copyright.

The claim presented to the arbitrators the issue whether or not the exhibitor exhibited the distributor's copyrighted pictures without authority. The issue of fact thus pre-

sented is determined in favor of the distributor warranting the arbitrators, without proof of actual damage because of the provisions of the Copyright Law, in fixing the damages to such amount as they concluded was reasonable. The controversy giving rise to the issue of fact between the distributor and the exhibitor was clearly arbitrable under the contract.

[fol. 2298] As the claim against the exhibitor was one that by the terms of the contract obligated the distributor to submit it to arbitration, the distributor could not first bring action thereon in the Federal Court under the Copyright Law.

The arbitrators having made an award determining the issues between the parties in accordance with the terms of their agreement, I do not see any reason why a judgment should be sought in the Federal Court, as under the Rules and Regulations Relating to Arbitration there is ample provision for the enforcement of the awards of the Board of Arbitration.

Yours very truly, Gabriel L. Hess, General Attorney.

Via Air Mail.

[fols. 2299 & 2300] 1

Western Union

Newcomb Carlton, President. J. C. Willever, First Vice-president

Send the following message, subject to the terms on back hereof, which are hereby agreed to

Received at W. U. Bldg., Cor. Main & Pearl Sts., Dallas, Texas, 1928, Nov. 17, AM. 1002. Always open.

NB189 73 DL-FE New York NY 17 1021A.

Don C. Douglas Dallas Film Board of Trade, 2009½ Jackson St., Dallas, Tex.:

Advised of dispute between Pathe and Epstein San Antonio concerning construction of contract stop to end that both parties will be advised of their respective rights and to avoid possibility of breach of contract recommend you call special meeting arbitration board for purpose making declaratory award using form specified in my letter number

H 28 October Ninth nineteen twenty eight stop for form of complaint see my letter September twentieth nineteen twenty seven.

Gabriel L. Hess.

F-4.

The quickest, surest and safest way to send money is by telegraph or cable.

[fol. 2301] Exhibit A-40

New York, N. Y., March 29, 1927.

Mr. Don C. Douglas, Secy., Dallas Film Board of Trade, Dallas, Texas.

Via Air Mail

Dear Mr. Douglas: I hasten to reply to your letter of March 26, 1927 concerning the Fairman-Texas Amusement Co. bicycling case.

It may be that because of the large amounts involved proceedings to recover damages from these exhibitors will have to be taken in court. However, before court proceedings are taken, all claims should first be submitted to arbitration.

The language of the award in the controversy between Fox and Moseley, a copy of which accompanied your letter, is sufficient, excepting I suggest that the words "assesses a charge of $250 a picture to cover actual and pecuniary damage" be stricken out, and in their place the following words be used: "awards the sum of $250 as damages for each picture exhibited in violation of the contracts."

If the arbitrators are willing to take an oath and acknowledge their signature to the award before a notary, have them do so; but you need not insist upon this *upon this* being done, if any objections are made.

The fact that all the members of your Board, excepting two, have claims against these exhibitors, raises a serious question as to their qualifications to act as arbitrators. Therefore, I recommend that R. J. Ingram, Enterprise Manager, and Mr. J. K. Adams, Home State Manager, be appointed to act as distributor arbitrators, and that the claimants waive the appointment of a third distributor arbi-

trator in these cases, permitting them to be arbitrated by a board consisting of two distributor representatives and three exhibitor representatives. It seems to me that under the conditions we must take the chance that the Board of Arbitration will, after hearing the evidence, decide in favor of the distributors.

Yours very truly, Gabriel L. Hess, General Attorney.

[fol. 2302] Exhibit A-45

April 12, 1927.

Mr. Gabriel L. Hess, Film Boards of Trade, New York N. Y.

Dear Mr. Hess: The Fairman-Texas Amusement Company bicycling cases were heard before the Board of Arbitration April 7th, and upon your advice there were only two distributor representatives—namely, J. K. Adams and R. J. Ingram, these being the only two who were not directly or indirectly interested.

I am not altogether proud of the outcome. That you might have full knowledge of the exact manner in which these claims were presented to the Board, I am enclosing a seven page brief which was read before the Board; and I have added to this brief the defendants' defense, which was not presented to the Board until after this brief had been read. As a matter of fact, as explained in the brief, the defendants at first declined arbitration but later agreed to submit.

The Board of Arbitration refused to word the awards making any reference to infringement of copyright nor would they word the awards to the effect that the amount sustained was intended as damage. The Board went through each individual claim and awarded distributive amounts ranging from twenty-five to seventy-five percent of the amount collected by the exhibitors from the College for the films furnished, these percentages being arrived at based upon the adverse evidence against that particular exchange. The awards against the Fairmans, who are no longer in the show business, were merely sustained in the amounts indicated and worded as follows:

"That the distributor's claim against the defendant covering the furnishing of certain films as listed in the claim

and acknowledged to have been furnished the Y. M. C. A. of the A. & M. College be sustained in the amount of —, and that the defendants be directed to comply with this award within 7 days from date hereof."

The awards against the Texas Amusement Company, who are the present operators of the theatres, were worded as follows:

"That the exhibitor pay the distributor — for certain films listed in claim and acknowledged to have been furnished the YMCA of the A & M College; that this award be complied with within seven days from date hereof; further that the exhibitor's failure to comply with the aforesaid award justifies distributors in demanding a security deposit on each contract."

On the attached sheet you will find a complete record of the awards, which covers $560 against the Texas Amusement Company and $2638.29 against W. R. Fairman.
[fol. 2303] I am of the opinion that both defendants will comply with the awards; and of course if the Texas Amusement Company does not comply, the regular procedure will be followed in this case. In the event the Fairmans do not comply, we shall advise you to this effect and request what further procedure shall be taken, in which case we presume it will be necessary to engage counsel to enforce payment of these awards through Court action. As previously advised, the Fairmans are financially responsible.

The thing that seemed to go against us most was the fact that certain managers and salesmen did have knowledge of the exhibitors furnishing pictures to the College, and whether or not they gave permission to have the pictures played at the College, the Board at least construed that their silence gave consent. No distributor admitted that blanket authority had been given to exhibit any or all of their pictures at the College. It did develop, however, that certain distributors had agreed that certain pictures were being furnished the College regularly at the rate of two a week, as the investigation revealed.

The culmination of this case has prompted me to suggest to the Board of Arbitration that a letter be sent to every exhibitor in the territory over the signature of the Board

of Arbitration to the effect that this important case has been heard and that the entire defense of the exhibitors was based upon verbal agreements with salesmen; the Board desires to put every exhibitor on notice that if they have any verbal agreements on existing contracts that they report them to the Board within ten days for investigation; that unless a report is made and the understanding properly recorded that this Board in the future will not entertain defense from exhibitors or others based upon verbal agreements. Both the Board of Arbitration and the Film Board have acquiesced in the sending of such a letter, and a draft of it will be presented to the Board of Arbitration at their next meeting for their approval.

I shall advise you in due time whether or not the defendants comply with the awards.

Yours very truly, Don C. Douglas, Secretary.

DCD/L.

[fol. 2304] April 15, 1927.

Mr. Don C. Douglas, Secy. Dallas Film Board of Trade, Dallas, Texas.

Dear Mr. Douglas: This is to acknowledge receipt of your letter of April 12, 1927, and the enclosures contained therein, giving detailed report in the Fairman-Texas Amusement Company bicycling cases.

At the outset, I want to compliment you on your work in the preparation of the case. You should not feel that the Board of Arbitration, simply because they did not grant the full amount claimed, did not act fairly and justly, nor is their decision any reflection upon the manner in which you prepared your case, particularly in view of the contention by the respondents that they had received permission from the salesmen and the managers to deliver the pictures at the college.

If the Fairmans do not comply with the award, the distributors should commence court action to recover on the awards obtained.

I do not believe it good policy to send to exhibitors the letter you suggest in respect to verbal agreements in any wise affecting existing contracts, and I strongly recommend that your Board refrain from doing so.

Please keep me advised if and when the awards are paid.
Sincerely yours, Gabriel L. Hess, General Attorney.

[fol. 2305] Detroit Film Board

[fol. 2306] 951-C

Detroit Film Board of Trade, Incorporated, 426-427 Insurance Exchange Building, Detroit, Michigan.

Office of David Palfreyman, Secretary and Manager

Telephone: Cadillac 3804

Sept. 18, 1926.

Mr. Gabriel L. Hess, Gen'l Attorney Film Boards of Trade, 469 Fifth Ave., New York City.

Dear Mr. Hess: Inasmuch as I understand that you have already been consulted in regard to the claim of the Mecca Palace Theatre, Saginaw, Mich., vs. Metro Goldwyn Mayer Distributing Corp. on The Big Parade, perhaps a brief report from me on the case would not be out of place. Excuse the typewriting, as I am pounding this out myself Saturday evening.

Mr. Carlisle has an old contract for a group of pictures including the Big Parade at $400.00, a joke price for first run in Saginaw. The contract was entered into before the picture was made, on the Uniform Exhibition Contract in use by them in May, 1925, and containing an additional clause designated as Schedule G. This clause provides for the exhibition of the pictures listed on a certain schedule of specified dates listed in the clause, and that each of the pictures shall be considered as definitely dated in accordance with this schedule for the purpose of that contract, the pictures "to be designated by the distributor."

The exhibitor played the pictures released under the contract down to August of this year, and at that time had played all of the subjects that had been released by Metro. He requested a picture for September, was advised that the branch here would try to get "The Temptress", bought advertising on it but was then advised that the picture

would not be finished in time for his use. He then demanded the Big Parade, maintaining that it had been released, as it had played in Detroit and is now playing in Grand Rapids (as a road show.)

The claim came up for hearing last Monday, but I insisted on a postponement for two weeks, until the next regular meeting of the arbitration board, as I did not feel that we had enough information from Metro's home office to present an adequate defense, but when they questioned our good faith in insisting on a postponement, we consented to hear it before a special meeting of the Board on Friday.

[fol. 2307] Milwaukee Film Board

[fol. 2308] Exhibit No. 224

Film Boards of Trade, New York

To the Secretary of each film board of trade:

With respect to the allocation of contracts when among such contracts there is a Universal Complete Service Contract I regret to advise you that I was unsuccessful in my efforts to secure Universal's consent to allocate its Complete Service Contract as it does its regular Exhibition Contract. Therefore

(a) If an exhibitor seeks a general allocation of his contract and among such contracts is a Complete Service Contract members may if they deem it to the best interest to all concerned allocate their contracts in accordance with the plan now followed. However in such case provisions must be made for the complete performance by the exhibitor of the Universal Complete Service Contract;

(b) If however members of your Board or any of them feels that they do not desire to agree to modify or change their contracts as required by your allocation plan, unless all concerned including Universal likewise agree each member should then proceed before the Arbitration Board to enforce its contract even with the knowledge that it will be impossible for the exhibitor to comply with the awards that may be made against him because of the conditions which forced the exhibitor to ask for an allocation.

With respect to arbitration and the enforcement of awards under the terms of the Universal Complete Service Contract you are advised that under the Provisions of the Arbitration Clause of such contract both the exhibitor and Universal are required to submit to arbitration all claims and controversies arising thereunder.

If an exhibitor fails or refuses to pay to Universal the weekly installments or any of them specified in the Complete Service Contract it is a breach of contract. Proof of such breach entitles Universal to an award from the Board of Arbitration to such effect.

[fol. 2309] If such an award is made in favor of Universal all the other members of the Film Board of Trade are obligated to comply with the by-laws relating to arbitration in the enforcement of the award. Likewise Universal is obligated to comply with such by-laws by demanding security for the performance of its Complete Service Contract to enforce compliance with awards in favor of other distributors, members of the Film Boards of Trade.

Very truly yours, Gabriel L. Hess, General Attorney.

[fol. 2310] Ex. No. 226

Chicago, April 13, 1925

Subject: New form letter to be used in requesting deposit demand from exhibitors who have not honored Joint Arbitration Board awards.

Gentlemen: In accordance with the following opinion furnished this office by Mr. Gabriel L. Hess, General Attorney, Film Boards of Trade, under date of April 8th, the substance of which permits each distributor to request a deposit demand under each existing contract: we are attaching new form of deposit demand:

"This is in reply to your letter of April 3, 1925. As the Arbitration clause in the Uniform exhibition contract provides that

'The distributor may at its option demand for its protection and as security for the performance by the exhibitor of this and all other existing contracts between the parties hereto payment by the exhibitor of an additional sum not

exceeding $500 and not less than $100 under each existing contract.'

and further provides as a corollary to that provision that

'The exhibitor may at its option terminate this and any other existing contract between the exhibitor and the distributor.'

and as Article IV of the By-Laws of Film Boards of Trade Relating to Arbitration makes provision for the Board of Arbitration to fix the maximum amount (not exceeding that specified in the arbitration clause) which each distributor may demand as security pursuant to the Arbitration Clause I am of the opinion that a distributor may demand as security for the performance of each contract held by such distributor a sum not to exceed that fixed by the Arbitration Board in its award and that likewise demand may be made by all other distributors holding contracts with such exhibitor.''

The new form letter to be constructed in lieu of the one now known as the First Notice is attached hereto. In constructing this letter, please be sure to first ascertain the number of contracts the exhibitor (who has not abided with an arbitration board ruling) has with your exchange, and based in accordance with the past precedent $500 should [fol. 2311] be requested under each existing contract. For example should your records indicate that you have four separate contracts, you should then request $500 under each existing contract, or a total of $2,000.

Yours very truly, Chicago Film Board of Trade. J. D. Abramson, Executive Secy.

[fol. 2312] New Orleans Film Board

[fol. 2313] New York Film Board

[fol. 2314] Ex. No. 256

Film Boards of Trade, 69 Fifth Ave., New York

April 26, 1927.

Mr. Ben Koenig, Secy. Milwaukee Film Board of Trade, Milwaukee, Wis.

Dear Mr. Koenig: I am informed that you are permitting a lapse of two weeks between demand to an exhibitor for

security and suspension of service if he fails to comply with such demand. If you are doing this, you are not abiding by the Rules and Regulations Relating to Arbitration which clearly provided in paragraph 3 of Rule IV that a distributor to whom an exhibitor has failed within seven (7) days to pay the amount of security demanded by such distributor, shall proceed to suspend service.

Please, therefore, discontinue your present practice, and follow out the Rules as pointed out above.

Yours very truly, Gabriel L. Hess, General Attorney.

[fol. 2315] Film Boards of Trade, 469 Fifth Avenue, New York

Charles C. Pettijohn, General Counsel, Gabriel L. Hess, General Attorney

May 12, 1927.

Mr. Louis Phillips, Secy. New York Film Board of Trade, 1560 Broadway, New York City.

Dear Mr. Phillips: For your information enclosed is a copy of a letter that has been sent to the general sales managers of all the companies represented in the membership of Film Boards of Trade.

Yours very truly, Gabriel L. Hess, Gabriel L. Hess, General Attorney.

Encl.
112-6.

[fol. 2316] Film Boards of Trade, 469 Fifth Avenue, New York

Charles C. Pettijohn, General Counsel; Gabriel L. Hess, General Attorney

May 12, 1927.

To all general sales managers:

Complaints have been made that the Home Offices and the District Managers of the branch offices in New York,

New Haven, Albany, Buffalo and Boston have been approving applications for contracts submitted by exhibitors when in New York City without ascertaining if such exhibitors are listed upon the Credit Information Lists of the Film Boards of Trade in said cities, of if such exhibitors have outstanding uncomplied with awards against them.

This has led to confusion and charges of violation of Credit Committee Rules and the Rules and Regulations Relating to Arbitration by companies approving such application.

May we not therefore ask that your office and your District Managers before approving any application made by any exhibitor who is in the City of New York ascertain from the Film Board of Trade or your Branch Manager in whose territory such exhibitor's theatre is located if there are any outstanding awards against him, or if his name is on the Credit Information List?

Sincerely yours, Gabriel L. Hess, General Attorney.

112-7.

[fol. 2317] May 20th, 1927.

Gabriel L. Hess, Esq., Film Boards of Trade, 469 Fifth Ave., New York City.

My Dear Mr. Hess: This will acknowledge receipt of your letter of May 12th, 1927 enclosing copy of letter sent to all general sales managers in the matter of approving applications of the contracts in violation of the rules for the establishment and operation of a credit committee.

It is a good thing to call a matter of this kind to their attention occasionally so that they will be mindful of their duties.

I will say that the infection of the rules in this respect is very infrequent and when it does occur, it results through an oversight. The instances, however, are quite few.

Kindest regards.

Sincerely yours, —— ——, Atty. & Executive Sec'y.
New York Film Board of Trade.

LP:C.

112-8.

[fol. 2318] July 18th, 1927.

Gabriel L. Hess, Esq., Film Boards of Trade, 469 Fifth Ave., New York City.

My Dear Mr. Hess: I desire to call your attention to a case which I tried before the Joint Arbitration Board last week which involves an important principal.

A claim was filed by an exhibitor against Educational Films for damages for failure to deliver a picture contracted for. Educational's failure to deliver was caused by the delay of the exhibitor who previously exhibited this picture in returning same as required by the contract immediately following the last performance with the result that a "misout" resulted to the exhibitor who filed his claim.

I invoked the provisions of the contract which provide that in such case the exhibitor who had been damaged should proceed against the exhibitor who delayed in returning the print. This resulted in a three cornered proceeding in which both exhibitors and Educational Films were parties.

It was my contention that under the contract, Educational having established that it was without fault in causing the "misout," it was not liable to the aggrieved exhibitor in any sum of money and that the award, if any, should be rendered against the exhibitor who was at fault.

The arbitrators agreed with the soundness of this position because of the provisions of the contract but felt that if an award was rendered against such exhibitor in favor of the aggrieved exhibitor the later exhibitor would be unable to enforce his award.

To satisfy them that there was a means of enforcement, I urged that the failure of the exhibitor to satisfy such an award justified the distributors in demanding security as required by the contract just the same as when an award is rendered in favor of a distributor against an exhibitor. In other words, in the instant case, the failure of this exhibitor to satisfy the award resulted in a breach of contract which justified all distributors in demanding security [fol. 2319] and distributors are as much interested in seeing such an award satisfied as if the award were ren-

dered in favor of the distributor. The arbitration provisions of the contract, it seems to me, justify this position.

112-9.

The arbitrators followed this view and rendered an award accordingly against the exhibitor who was at fault and exonerated Educational.

Are you in accord with these views?

Sincerely yours, —— ——, Atty. & Executive Sec'y. New York Film Board of Trade.

LP:C.
112-10.

[fol. 2320] Film Boards of Trade, 469 Fifth Avenue, New York

Charles C. Pettijohn, General Counsel; Gabriel L. Hess, General Attorney

July 20, 1927.

Mr. Louis Phillips, Secy. New York Film Board of Trade, New York.

Dear Mr. Phillips: This is in reply to your letter of July 18, 1927.

I concur in your opinion that upon the failure of an exhibitor to comply with an award in favor of another exhibitor because of such exhibitor's failure or delay in forwarding a print of a picture (as directed by the distributor) to the other exhibitor, members of the Film Boards of Trade are obligated under the Rules and Regulations Relating to Arbitration to proceed to enforce such award as therein provided by demanding security for the performance of each of their respective existing contracts with the exhibitor against whom the award was made.

Sincerely yours, Gabriel L. Hess, Gabriel L. Hess, General Attorney.

[fol. 2321] Pittsburgh Film Board

[fol. 2322] Ex. BB 75

Film Boards of Trade, 469 Fifth Avenue, New York

Charles C. Pettijohn, General Counsel; Gabriel L. Hess, General Attorney

April 28, 1928.

Miss Audrey C. Littell, Secretary Pittsburgh Film Board of Trade, Pittsburgh, Penna.

Dear Miss Littell: This is to acknowledge the receipt of your telegram of April 27th 1928.

Do not be disturbed by the refusal of the exhibitor arbitrators on your board of Arbitrators to hear in the future complaints against exhibitors who are not present at the time fixed for the hearing thereof. If the exhibitor arbitrators refuse to hear the testimony of the complainant and make an award thereon, note in your records the fact that the exhibitor failed to appear and then advise those of your members having contracts with such exhibitor to proceed under the Rules of Arbitration to demand from the exhibitor because of his refusal to submit to arbitration security for the performance of such contracts. If such exhibitor shall within seven days after demand for security refuse to pay the amount of security so demanded, each of your members having a contract with such exhibitor is obligated to proceed to suspend service until the exhibitor shall have furnished the security demanded.

Sincerely yours, (Sgd.) Gabriel L. Hess, Gabriel L. Hess, General Attorney.

19.31.
Ex. BB.

[fol. 2323] Ex. CC

April 27, 1928.

Mr. Gabriel L. Hess, 469 Fifth Avenue, New York, N. Y.

Dear Mr. Hess: As stated in my telegram of today, the exhibitor members of our Arbitration Board today refused

to consider any claims brought against exhibitors who were not present at an arbitration hearing.

No notice was given to this office or to the distributor members of the Arbitration Board. There was but one exhibitor who today failed to respond to the summons to appear and the exhibitor arbitrators, at the request of Mr. Herrington, simply refused to consider this complaint.

Mr. Herrington stated that the arbitrators were personally liable in rendering a default award. When asked what authority he had for his statement he produced a copy of the Film Daily in which was outlined the action of the exhibitors in the Cleveland territory in this respect.

We had in our files a copy of your letter to Mr. Douglas in April of 1927 in which you state that arbitrators are exempt from civil liability, but this failed to satisfy the minds of the exhibitors in view of Mr. Herrington's statement.

While I have nothing upon which to base my conclusion, I believe the decision had been made by the exhibitor arbitrators to take this action before they arrived at the hearing today, as no amount of persuasion, discussion or arguments could in the slightest alter their attitude.

I assume that the article which recently appeared in Harrison's Reports on this subject had its affect, as in exact accordance with Mr. Harrison's views, the exhibitors stated that the distributors could proceed under the terms of the contract to demand security from exhibitors who failed to attend an arbitration hearing.

It was pointed out that at no time had any exhibitor refused to arbitrate, and that the absent exhibitors were undoubtedly depending upon Mr. Herrington to represent their interest and therefore failed to appear. This, however, was without avail, and I have been requested to ask your opinion as to whether or not we may construe the [fol. 2324] failure of an exhibitor to attend a hearing before the Arbitration Board of which he has been duly notified as a refusal on the part of the exhibitor to arbitrate and proceed to demand security as provided in the contract, or if we should endeavor to appoint new exhibitor arbitrators who would be willing to hear all cases presented. We of course know from experience that it is not

an easy matter to find competent exhibitor arbitrators who are not members of the Exhibitor's Association.

Sincerely yours, —— ——, Secretary.

Ex. CC.

[fol. 2325] Salt Lake City Film Board (Intermountain)

[fol. 2326] 0-11

November 24, 1926.

Mr. Gabriel L. Hess, General Attorney Film Boards of Trade, 469 Fifth Avenue, New York City.

DEAR MR. HESS: I note in a copy of some of the San Francisco Film Exchange Board of Trade Rules that they have the following rules:

A.—"Contracts for film service shall not cover more than one theatre; separate contracts must be taken for each theatre."

B.—"No sub-letting of contracts or films shall be allowed, nor shall contracts be entered into with booking agencies; they shall be made only with the exhibitor direct."

While these are excellent principles, I have been under the impression that they both amount to what might be construed an interference on the part of Film Boards of Trade with the sales policy of the various companies. The Inter-Mountain Board of Trade has the rule designated "A" above, in a slightly different form. We would be glad to adopt above rules here, I think, if they are agreeable to the New York organization.

How about it?

Sincerely, —— ——, Secretary.

DTL/L.

[fol. 2327] 0-12

Film Boards of Trade, 469 Fifth Avenue, New York

November 29, 1926.

Mr. D. T. Lane, Secretary Inter-Mountain Film Board of Trade, Salt Lake City, Utah.

DEAR MR. LANE: This is in reply to your letter of November 24, 1926, concerning the two rules of the San Francisco

Film Board of Trade quoted by you. As all of your members have received instructions from their home offices to carry out as a matter of sales policy that which is expressed in the rules I believe it would be better that the rules be not formally adopted. If, however, contrary to such instructions, any of your members should conduct their business in violation of the principles expressed in the rules, upon advice to such effect given to this office, we will take the matter up with their home office, and I am reasonably certain that the instructions heretofore given will be repeated and thereafter there will be no further cause for complaint.

Yours very truly, (Sgd.) Gabriel L. Hess, Gabriel L. Hess, General Attorney.

[fol. 2328] N-28

November 12, 1926.

Mr. Gabriel L. Hess, General Attorney, 469 Fifth Avenue, New York City.

Dear Mr. Hess: This question has been also bothering me lately:

A theatre is transferred to a new owner; say, for example, that F. B. O. had a contract with the previous owner which was about one-third played out; the new owner, without formally assuming this particular contract, permits two or three bookings to be made and shown in the theatre under his management; he then advises the distributing company that he does not desire to play out the balance of the old contract and that he will not assume the old contract. All of this by way of example to illustrate the problem.

By his acts, has the new owner automatically assumed the contract—or, to put it in another way, has he automatically made himself liable to complete the contract? If so, what effect would such a situation have, in your opinion, upon the general Credit Committee situation?

I would be grateful for your reaction to this problem.

Sincerely, Inter-Mountain Film Board of Trade.
——— ———, Secretary.

DTL/L.